



Maricopa County

Department of Transportation

INVITATION FOR PUBLIC AUCTION (BID PACKAGE)

PUBLIC AUCTION OF EXCESS VACANT LAND

+/- 5.00 ACRES (+/- 217,800 SF)

MCDOT Parcel #: D23408

Location: Southern side of MC 85, third lot east of SR85



June 29, 2017

10:00 AM

Flood Control District
Of Maricopa County
Office Building

2801 W. Durango Street
Phoenix, Arizona 85009

TABLE OF CONTENTS

General Information	1
Property Information, including location, inspections	1
Auction Information, including date, time, location	2
Auction/MCDOT Representation.....	2
Auction Information, including bidding	2
Auction/Bidder Acknowledgement	2
Auction/Bidder Acknowledgement Form.....	2
Auction Bid Increments	2
Auction/Conditions of Transfer, "AS-IS, WHERE IS"	3
Auction/Monies due from Bidder at Auction.....	3
Auction/Purchase Agreement	3
Auction/Transfer Document	3
Auction/Escrow, including funds at closing	4
Default & Substitution.....	4
Questions.....	4
Broker's Participation	5
Broker's Registration Form	6
Bidder's Acknowledgement: Individual.....	7
Bidder's Acknowledgement: Partnership	8
Bidder's Acknowledgement: Corporation	9
Property Legal Description and Map (Exhibit A)	10-11
Form of Conveyance, Special Warranty Deed	12-14
Floodplain Determination	15-16
Purchase Agreement.....	17-24
Appraisal	Appendix
Title Report (within Appraisal)	Appendix
Maricopa County Durango Complex Auction location map	Appendix

GENERAL INFORMATION:

MARICOPA COUNTY DEPARTMENT OF TRANSPORTATION (MCDOT), the Seller, will hold a public auction of vacant land at 10:00 am on June 29, 2017. The subject property is located on the southern side of Maricopa County Route 85, third lot east of State Route 85, Buckeye, Arizona and the Maricopa County Assessor parcel number as of this Invitation for Public Auction is the western portion of 401-87-001L. **The minimum acceptable bid will be \$260,000.** The title will transfer by Special Warranty Deed.

PROPERTY INFORMATION:

- A. Assessor's Parcel Nos:** Western portion of 401-87-001L as of 04/25/17
- B. Location:** on the southern side of Maricopa County Route 85, third lot east of State Route 85, Buckeye, Arizona
- C. Size of Property:** +/- 5 gross acres (+/- 217,800 SF)
- D. Shape of Property:** slightly irregular
- E. Legal Description:** Refer to Exhibit "A" for map and legal description
- F. Present use:** vacant land
- G. Zoning:** C-3 Regional Commercial, City of Buckeye, Arizona
- H. Flood Plain determination:** See Flood Control District's Determination
- I. Title Report:** A recent title report of the subject property is included in the appraisal within. It is each bidder's responsibility to perform their own due diligence and at their own discretion obtain an ALTA survey and/or title insurance policy should they be the successful bidder and wish to obtain them.
- J. Access:** See document MCR 1987-0578337 access information.
- K. Inspections/Access to Property:** Bidder shall not access the Property prior to Close of Escrow unless Bidder shall first obtain an approval from MCDOT. Any approval issued by MCDOT to Bidder shall contain a condition (if so desired) allowing a representative of the MCDOT to be present at all times the Bidder accesses the Property. Contact Deborah Fisher at DeborahFisher@mail.maricopa.gov for more information.

AUCTION INFORMATION:

A. DATE, TIME, LOCATION:

- a. Auction will be held on **Thursday, June 29, 2017** at promptly
- b. **10:00 A.M.** local time, in the
- c. Adobe Conference Room, in the administrative offices of the
FLOOD CONTROL DISTRICT OF MARICOPA COUNTY, located at
2801 West Durango Street, Phoenix, Arizona 85009

Please arrive ***one-half hour prior*** to the beginning of the auction for registration.

Entrance to the bidding location is on the south side of the building.

A map showing the building location is provided at end of this package

B. MCDOT Representations: MCDOT makes no representations whatsoever regarding conditions or features of the subject property, zoning, access, availability of utilities, or development potential of the site.

MCDOT reserves the right to reject any and all bids for any reason prior to or following the auction.

MCDOT is a political subdivision of the State of Arizona, and therefore is exempt from paying real property taxes. Upon completion of the recording of the conveyance deed to the successful bidder, Buyer shall become responsible for the payment of any real property taxes and assessments as provided by law.

- C. **Bidding:** All bidding is open to the public without regard to race, age, sex, religion, national origin, handicap, or marital status. To bid on behalf of another party, the purported agent must have a properly prepared and notarized special power of attorney.
- D. **Bidder Acknowledgement:** By registering to bid, each bidder expressly warrants that neither he/she nor their associates has directly or indirectly entered into any agreement, participated in any collusion or otherwise taken any action in restraint of free competitive bidding in connection with this public auction.
- E. **Bidder Acknowledgement Form:** Bidder will provide at registration their signed BIDDER ACKNOWLEDGEMENT FORM as individual, firm/LLC or corporation, and if not as individual, include proof of authorization to do business in the State of Arizona and appropriate authorization of the acts taken in bidding at the auction.
- F. **Bid increments:** Bidding shall be in increments of **no less than \$5,000**, and may be in larger increments.

G. **Conditions of Transfer:** The property will be sold "**AS IS, WHERE IS**" ALL BIDDERS WERE PROVIDED WITH THE OPPORTUNITY TO CONDUCT DUE DILIGENCE PRIOR TO BIDDING AT PUBLIC AUCTION. THEREFORE, BY EXECUTING THIS BID PACKAGE, BIDDER ACKNOWLEDGES THAT IT HAS SATISFIED ITSELF THAT THE PROPERTY IS PROPERLY SUITED FOR THE USE AS CONTEMPLATED BY THE BIDDER. THE PROPERTY IS BEING CONVEYED IN A STRICT "AS IS, WHERE IS" CONDITION. MCDOT HAS MADE NO REPRESENTATIONS OR WARRANTIES OTHER THAN AS SET FORTH IN THIS DOCUMENT AND BIDDER DOES NOT AND MAY NOT RELY UPON ANY REPRESENTATION OR WARRANTY THAT IS NOT SET FORTH IN WRITING IN THIS DOCUMENT.

H. **Monies due from Bidder at Registration of Auction:** At auction registration, all bidders shall submit each of the following in the form of cashier's check, certified check or money order payable to the Maricopa County Department of Transportation (MCDOT).

a.	Auction Deposit:	\$26,000.00
b.	*Fee Reimbursement(s) unless previously submitted:	
	i. appraisal	\$2,300.00
	ii. preliminary title report	<u>\$750.00</u>
		\$3,050.00

Auction Deposits & Fee Reimbursement(s) of unsuccessful bidders will be returned at conclusion of auction or if previously deposited, a refund will be made within 14 business days from date of Auction. Auction Deposit of **successful** bidder will become the Contract Deposit to be held by the Escrow Agent.

I. **Purchase Agreement and Escrow Instructions:** Successful bidder shall execute the Purchase Agreement and Escrow Instructions in substantially the same form as shown on pages 17-24 of this 'Bid Package'.

MCDOT shall submit to its Board of Supervisors for consideration the Purchase Agreement and Escrow Instructions and if approved, have delivered into escrow within **forty-five (45) days** of auction date.

J. **Transfer Document:** Conveyance shall be made by Special Warranty Deed in substantially the form as shown on pages 12-14 of this 'Bid Package'.

- a. Successful Bidder shall sign at conclusion of auction
- b. **MCDOT** shall submit to its Board of Supervisors for consideration
- c. **MCDOT** shall deliver into escrow after approval by its Board within forty-five (45) days from auction date.

K. **Escrow:**

- a. Company: Empire West Title Agency, 4804 N 22nd St, Ste 100, Phoenix AZ 85016
Escrow Officer: Sharon Dyke, 602-749-7000,
- b. Closing: within one hundred twenty (120) days of auction date

Bidder Funds at Closing:

- c. All closing costs, including owners policy, if requested by Bidder
- d. Balance of purchase price

- L. **Default and Substitution:** In the event the Successful Bidder fails to close title for any reason (default"), fifty percent (50%) of the Auction Deposit shall be forfeited to **MCDOT** and any interest, legal or equitable in the property shall be forfeited and shall revert to **MCDOT**. **MCDOT** will return to the bidder the remaining 50% of the Auction Deposit, without interest, within 180 days of the closing date. Upon default, **MCDOT** may then sell to the second highest bidder at the price bid by the second highest bidder, assuming the second highest bidder meets all other bid requirements, including deposit of the (10%) Auction Deposit, within 72 hours of notification by MCDOT. The second highest bidder shall then pay the balance of their bid price within one hundred twenty (120) days of notification by **MCDOT**.

- M. **Questions:** Any questions shall be submitted through the "CONTACT US", Real Estate, link at <http://www.mcdot.maricopa.gov/746/Property-Management>, at least ten (10) days prior to the date of the public auction. Questions and answers will be posted to <http://www.mcdot.maricopa.gov/746/Property-Management>.

1. BROKER PARTICIPATION:

A **0.5% brokerage commission** will be paid by **MCDOT** at the close of escrow to any licensed Real Estate Broker who is the effective procuring cause of the transaction provided that the Broker has registered a prospect who then successfully closes title to the property and, further provided that:

- a) Brokers must register by fax, email, or mail with our office. The email address is DeborahFisher@mail.maricopa.gov The **Broker Registration Form** within this package, must be received by the Property Management Branch in care of **Flood Control District of Maricopa County** at 2801 West Durango Street, Phoenix, Arizona 85009, no later than 4:00 PM local time on the day before the auction **(June 28, 2017 by 4pm). The Fax number is 602-506-8780.**
- b) **Brokers are required to provide, with their Broker Registration Form, the most current completed standard Arizona Association of Realtors Disclosure Form #1587-1555 regarding real estate agency relationships.**
- c) Broker must show the property to the prospect.
- d) Broker must attend and register at the auction and bid for (by specific power of attorney) or with the prospect.
- e) Commission will be paid only upon final closing.
- f) There can be no exceptions to these procedures and no oral registrations will be accepted. Procedures for broker qualifications as herein outlined will be strictly enforced. No one is authorized to make exceptions to these rules.
- g) Only the first agent registering a prospective bidder will be honored unless otherwise indicated by the buyer.
- h) No commission shall be paid to a broker unless the broker is acting on behalf of a registered third party.

BROKER REGISTRATION FORM

Maricopa County Department of Transportation

Real Estate Division/Property Management Branch

Attn: Deborah Fisher

2801 West Durango Street

Phoenix, AZ 85009

602-506-1054 (OFFICE)

602-506-8780 (FAX)

DeborahFisher@mail.maricopa.gov

Auction Date: June 29, 2017 @ 10:00 AM

MCDOT PARCEL: D23408

Broker Name: _____

Company Name/Address:

Telephone #: _____

Fax #: _____

Mobile#: _____

Representing: _____

Telephone #: _____

For a valid registry, you must attach Arizona Association of Realtors

Disclosure Form #1587-1555 to this Broker Registration Form

BIDDER ACKNOWLEDGEMENT FORM: INDIVIDUAL

MCDOT PARCEL NO.: D23408

ASSESSOR PARCEL NO: Western portion of 401-87-001L as of 4/25/17

LOCATION: Southern side of MCR 85, third lot east of State Route 85, Buckeye, Arizona

LEGAL DESCRIPTION: See attached Exhibit "A"

MINIMUM AMOUNT OF BID: \$260,000.00

MINIMUM INCREMENTAL BID AMOUNT: \$5,000.00

BIDDER REGISTRATION AMOUNT: \$26,000.00

By submitting a bid, the bidder hereby acknowledges receipt of and agrees to the information and conditions set forth in this Invitation for Public Auction, and that this bid is based on the following Addenda:

The Undersigned certifies that the Invitation for Public Auction has been carefully examined, and also that Bidder has had the opportunity to inspect the property. The Undersigned further declares that it understands the information contained in this Bid Package, has had an opportunity to raise any questions it may have and that it is relying upon nothing outside of this bid package in its decision to submit a bid.

Date: _____

IF BY AN INDIVIDUAL

Name _____

Street _____

City and State _____

Telephone _____

BIDDER ACKNOWLEDGEMENT FORM: FIRM OR PARTNERSHIP

MCDOT PARCEL NO.: D23408

ASSESSOR PARCEL NO.: Western portion of 401-87-001L as of 4/25/17

LOCATION: Southern side of MCR 85, third lot east of State Route 85, Buckeye, Arizona

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Date: _____

IF BY A FIRM OR PARTNERSHIP:

Firm Name

By: _____

Telephone

Name and Address of Each Member:

Name

Address

Name

Address

Name

Address

*Provide names, titles, and business address of each member of the firm, and resolution authorizing signer of all purchase documents, such as deed, purchase agreement and escrow documents.

BIDDER ACKNOWLEDGEMENT FORM: CORPORATION

MCDOT PARCEL NO: D23408

ASSESSOR PARCEL NO.: Western portion of 401-87-001L as of 4/25/17

LOCATION: Southern side of MCR 85, third lot east of State Route 85, Buckeye, Arizona

LEGAL DESCRIPTION: See attached Exhibit "A"

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The Undersigned certifies that the Invitation for Public Auction has been carefully examined, and also that Bidder has had the opportunity to inspect the property. The Undersigned further declares that it understands the information contained in this Bid Package, has had an opportunity to raise any questions it may have and that it is relying upon nothing outside of this bid package in its decision to submit a bid.

Date: _____

IF BY A CORPORATION:

Corporation Name

Corporation Address

By: _____

Telephone

* **Incorporated under the Laws of the State of** _____

Names and Addresses of Officers:

President

Address

Secretary

Address

Treasurer

Address

*Provide names, titles, and business address of the President, Secretary, and Treasurer, and Board resolution authorizing signer of deed and escrow documents.

**Parcel No. 401-87-001L
Project No. TA-001
Maricopa County Highway Department
Southwest Maintenance Yard
Item No. D23408**

EXHIBIT "A"

LEGAL DESCRIPTION FOR PARCEL SALE

A Portion of that certain parcel of land as described in Record No. 1991-0475531, Records of the Recorder, Maricopa County, lying within the North one-half of the Southwest one quarter (N2SW4) of Section One (1), Township One (1) South, Range Four (4) West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona; Said portion is more particularly described as follows:

The West 5.00 Acres of following tract of land:

The West 1740 feet of the North half of the Southwest quarter, lying Southeasterly of the Southeasterly right-of-way of U.S. Highway 80;

EXCEPT the South 565.46 feet of said West 1740.00 feet, and;

EXCEPT that portion lying West of the East 1018.35 feet of said West 1740.00 feet.

The above described parcel contains 217,800 square feet or 5.00 acres, more or less.

MARICOPA COUNTY DEPARTMENT OF TRANSPORTATION		
Prelim: 12-00-2016	Chk: 1-26-2017 JLS	Appr:
Rev: 1-25-2017; 4-03-2017		
Maricopa County Public Works – Real Estate Division		



EXPIRES 12 / 31 / 2017

GRANTOR _____ DATE _____

EXHIBIT "A"

SR 85

W4 Cor Sec 1-1S4W

Old US 80 Centerline Curve Data
Total Curve

$L = 89^{\circ}41'00''$
 $R+0 = 1450.96$
 $Ts = 1841.92$
 $Ls = 3042.08$

$R = 1432.39$
 $L = 1442.08$

401-87-001F

Main Curve (C1)

$\Delta = 57^{\circ}41'00''$
 $D = 4^{\circ}00'00''$
 $R = 1432.39$
 $L = 1442.08$

Spiral Curve (SC1)

$a = 1/2$
 $\Delta = 16^{\circ}00'00''$
 $L = 800.00$
 $t = 398.96$
 $o' = 18.57$

1740.03

(SC2)

D23408
West 5 Acres of
401-87-001L

Remainder of
401-87-001L

401-87-001G

401-87-001N

401-87-001M

401-87-001K

401-87-001C

SE Cor N2SW4
Sec 1-1S,4W

Southeasterly right-of-way
of Old U.S. Highway 80

West line of the East 1018.35'
of the West 1740' of the N2SW4

401-87-001F

Intersection of the North line of the South 565.46'
and the West line of the East 1018.35' of the
North half of the Southwest quarter.

West 5.0 Acres of 401-87-001L
Area: 217,800 square foot or 5.0 acres +/-

MC 85

Spiral Curve (SC2)

$a = 1/2$
 $\Delta = 16^{\circ}00'00''$
 $L = 800.00$
 $t = 398.96$
 $o' = 18.57$

Old US 80 (Gila Bend - Buckeye Hwy)
F-023-1-802 / DWG# D-T-T-709
Jct U.S. 80 - Baseline Road
Maricopa County

Maricopa County Highway Department
Assessor parcel 401-87-001L, and 001G
P/D 1991-0475531 M.C.R.

Chord Brg = $N74^{\circ}19'52''E$
Chord = 36.16'
Delta = $01^{\circ}26'56''$
Delta = $15^{\circ}47'00''$
 $R = 1432.39$
 $L = 1442.08$

(SC2)

Radial Bearing
 $S31^{\circ}45'22''E$
Tangent Brg $S14^{\circ}56'33''E$ 1430.26'

$N00^{\circ}10'07''E$

D23408
West 5.0 +/- Acres
of 401-87-001L

$S00^{\circ}10'07''W$ 640.97'

$S89^{\circ}50'12''W$ 381.50'

North line of the South 565.46'



MARICOPA COUNTY

MCHD Southwest Yard

PROJECT No. TA-001

ITEM No. D23408

DATE 01/25/2017

MARICOPA COUNTY

R/W AGENT K.M.R.

June 29, 2017

When recorded, Interoffice Mail to:
Maricopa County
Real Estate Services
2801 W. Durango St.
Phoenix, AZ 85009 (DF)

EXEMPT ARS § 11-1134, A3

C-64-17-049-M-00

SPECIAL WARRANTY DEED

Project: TA001
MCDOT Item #: D23408
Assessor's Parcel No.: Ptn. of 401-87-001L

Maricopa County, a political subdivision of the State of Arizona, GRANTOR, for the sum of **X,XXX.XXX Dollars and XX/100 Dollars (\$X,XXX,XXX.00)**, and other valuable consideration, receipt and sufficiency of which are hereby acknowledged, paid by _____, a _____ **of the State of Arizona. GRANTEE**, by this Deed does grant, sell, and convey unto the said **GRANTEE** all that certain real property situated in the County of Maricopa, State of Arizona, described as follows:

See Attached Exhibit "A"

Attached hereto and incorporated herein

The **GRANTOR** hereby conveys unto **GRANTEE** all warranties of title for its acts and not the acts of others, of any nature whatsoever.

This property is conveyance subject to: assessments, reservations, easements, rights-of-way, and deed restrictions as may appear on record.

Project: TA-001
MCDOT Item #: D23408
Assessor's Parcel No.: Western portion of

GRANTOR:

RECOMMENDED FOR APPROVAL:

C. Michelle Colby, SR/WA
Chief Real Estate Officer

Jennifer Toth, P.E.
Director, Maricopa County Department
of Transportation

ACCEPTED AND APPROVED

MARICOPA COUNTY BOARD OF SUPERVISORS

By _____
Chairman of the Board

Before me, _____, Notary Public in and for said County, State of Arizona, on this day acknowledges _____, known to me to be the person whose name is subscribed to the foregoing instrument as the Chairman of the Board of the Political Subdivision described in the foregoing instrument.

Given under my hand and seal of the office this ____ day of _____, 20____

My Commission Expires _____

Notary Public (signature)

Approved as to form and within the powers
and authority of the Board of Supervisors

Approved as to form _____
Deputy Maricopa County Attorney

ACCEPTANCE

Project: TA-001
MCDOT Item #: D23408
Assessor's Parcel No.: Western portion
of 401-87-001L

GRANTEE:

By: _____

Its: _____

STATE OF ARIZONA)
)ss
COUNTY OF MARICOPA)

The foregoing instrument was acknowledged before me the ____day of _____ 201__,
by _____, GRANTEE.

My Commission Expires:

Notary Public



**FLOOD CONTROL DISTRICT
of Maricopa County**

Flood Hazard - Flood Insurance Rate MAP (FIRM) Information

Property Address: 26529 W. MC 85 **APN:** 401-87-001L
City: Buckeye **State:** Arizona **Zip:** 85326
Requested By: Deborah Fisher **Phone:** 602-506-2964
Email: deborahfisher@mail.maricopa.gov **Fax:** _____

The following is based upon the above property information:

NFIP Community Name & Community Number: Unincorporated Maricopa County 040037
Map: 04013C **Panel Number:** 2580 **Suffix:** L
FIRM Index Date: 11/4/2015 **FIRM Panel Effective/Revised Date:** 10/16/2013

The property is located wholly or partially in FIRM zone(s): X

The main building on the property:

☐ is wholly or partially within a Special Flood Hazard Area (SFHA), FIRM zone(s) _____

Federal law requires flood insurance as a condition of federally insured mortgage or loan secured by buildings within a Special Flood Hazard Zone.

Base Flood Elevation, (AO Zone, use depth), if shown is _____ feet, _____

☐ is located in FIRM zone D. Zone D is an area in which flood hazards are undetermined. Flood insurance is available, but not required by the Federal Insurance Administration, for buildings concerned with a federally insured loan. Flood insurance is optional at the discretion of the owner or lending institution.

☒ is located in FIRM zone X, which is outside the delineated 1% chance floodplain. However, the property may still be subject to local drainage problems or other unmapped flood hazards. Flood insurance from the NFIP is available at non-floodplain rates. A flood insurance policy can still be required by a lender.

☐ Based upon the above information, the property's exact location cannot be made on the FIRM.

☐ Comments/Concerns:

This community participates in the National Flood Insurance Program - Regular. Check with your insurance carrier for premium discounts on flood insurance. The discounts vary depending on the community in which the property is located.

NOTE: The above flood hazard information is based on the property information furnished to us and the current Flood Insurance Rate Map for the area. The erosion setback is determined using the Flood Insurance Study maps. The District, the County or any officer or employee thereof do not warrant the accuracy of this information and are not responsible for any expense, losses or damage that may result from reliance on this information by the requestor or any third party.

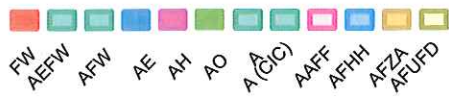
Katina Castillo
Floodplain Management

2/15/2017 11:25:11 AM
Date

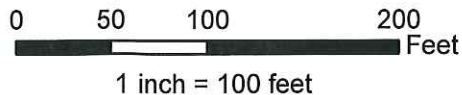
ID Number: 22416



Current FEMA Flood Zones



Current Pending Flood Zones



Date: 02/15/2017
 Time: 11:24:48 AM
 User: kyc



Floodplain Management & Services
 2801 West Durango Street
 Phoenix, Arizona 85009
 Phone: (602) 506-2419
 Fax: (602) 372-6232
<http://www.fcd.maricopa.gov/Floodplain/floodplain.aspx>



Maricopa County

Department of Transportation

PURCHASE AGREEMENT AND ESCROW INSTRUCTIONS

Agreement made on _____, 2017 by and between:

_____, with an address
of _____, hereinafter referred to as the **Buyer**. Buyer was the successful
bidder at public auction held on _____, 2017 based upon an Invitation for Public
Auction ("Bid Package") dated _____, 2017.

AND

Maricopa County, a political subdivision of the State of Arizona, with an address of:
c/o Real Estate Division, 2801 W. Durango, Phoenix AZ, hereinafter referred to as the **Seller**,

"Agreement" means, when fully executed by Seller and Buyer, this Purchase
Agreement and Escrow Instructions,

WITNESSETH

THAT Seller agrees to sell to Buyer and the Buyer agrees to purchase from Seller,
the property described on Exhibit A, declared by the Maricopa County Board of
Supervisors to be excess vacant land by Agenda Item C-64-17-049-M-00, approved on
November 16, 2016, hereinafter referred to as the **Property**. The legal description of the
Property is set forth on Exhibit A attached hereto and made a part hereof.

Seller will convey the property to Buyer by **Special Warranty Deed** as set forth in the "Bid
Package".

1. **PURCHASE PRICE and other Buyer costs.** The purchase price or consideration shall be _____ (\$_____) dollars. In addition, Buyer shall pay to the Seller Fee Reimbursements which include the full cost of the appraisal in the amount of two thousand three hundred (\$ 2,300.00) dollars, and the sum of three hundred seventy-five (\$375.00) dollars representing one half of the cost of the preliminary title report provided to the Buyer prior to bid.

Total: \$_____

1.01. Payments. Payment shall be made as follows:

Auction Deposit previously deposited by Buyer at public auction and now to be held in escrow by the Escrow Agent (the "Contract Deposit")	\$26,000.00
---	-------------

Previously deposited appraisal Fee Reimbursement	\$ 2,300.00
--	-------------

Previously deposited title report Fee Reimbursement	\$ 750.00
---	-----------

The balance of the purchase price (plus any additional taxes, fees or other closing costs) shall be paid at or before the Close of Escrow by cash, certified check, cashier's check or bank wire transfer to be paid to Escrow Agent	\$_____
--	---------

1.02. **Close of Escrow.** Close of Escrow shall occur on or before October 27, 2017, which date shall be referred to as the "Close of Escrow".

1.03. **Contract Deposit Escrow.** At Close of Escrow Buyer shall be given full credit against the purchase price for the Auction Deposit. In addition, the Buyer shall receive a credit from the Seller for the sum of three hundred seventy five (\$375.00) dollars representing one-half of the cost of the preliminary title report.

1.04. Escrow Agent.

a) The escrow agent ("**Escrow Agent**") referred to in this Agreement shall be as listed below:

Company: Empire West Title Agency
Agent: Sharon Dyke
Fax: 602.386.3001

Address: 4808 North 22nd Street
Phone: 602.749.7000
Email: sharond@ewtaz.com

b) The Escrow Agent shall deliver the escrow funds in accordance with this Agreement.

2. SELLER'S REPRESENTATIONS.

- a) **Seller** makes no representations whatsoever regarding conditions or features of the subject property.
- b) **Seller** further makes no representation as to zoning, access to parcel, availability of utilities, or development potential of the site.
- c) **Seller** is a political subdivision of the State of Arizona, and therefore is exempt from paying real property taxes. Upon completion of the recording of the conveyance deed to the **Buyer**, Buyer shall become responsible for any real property taxes and assessments as provided by law.

3. TITLE COMMITMENT.

3.01. Preliminary Title Report. Within the Bid Package, the Seller has provided to Buyer, at Buyer's expense, a current preliminary title report or commitment for title insurance to be issued concerning the Property (the "Title Report"). Further, in the event that any updates, supplements or amendments to the Title Report are subsequently prepared, copies of such documents shall be delivered to Buyer.

3.02. No Obligation to Act. Except with respect to any title exception intentionally and voluntarily created by Seller after the issuance of the Title Report, nothing herein shall be deemed to impose on Seller any obligation to bring any action or proceeding, or to expend any unreasonable (in Seller's sole and absolute discretion) sum or effort in order to fulfill any condition, nor shall Buyer otherwise have any right or action against Seller in respect thereof. The Buyer may procure an extended coverage title insurance policy, if available, at the Buyer's option, in which event the Buyer shall pay the amount of increased premium and the cost of any survey necessary to obtain extended coverage title insurance issued through the Escrow Agent in the form in use on the date of issue, insuring the Buyer in the amount of the Purchase Price of the Property, that upon Close of Escrow, title to the Property is subject only to the regular printed exceptions contained in said policy, current taxes and assessments, and such restrictive covenants of record, easements, reservations in patents and other obligations, liabilities, liens, encumbrances and other matters as Buyer, in Buyer's sole discretion, may specifically approve, in writing, or be deemed to have approved.

4. ACCESS TO PROPERTY. Buyer shall not access the Property prior to Close of Escrow unless Buyer shall first obtain a Right of Entry from Seller. Any Right of Entry issued by Seller to Buyer shall contain a condition allowing a representative of the Seller to be present at all times Buyer accesses the Property.

5. BUYER'S REPRESENTATIONS AND AGREEMENTS. Simultaneously with execution of this Agreement, Buyer shall provide proof of legal authority to execute this Agreement and to consummate all of the transactions hereby contemplated. All required approvals by the shareholders, partners, members and/or Board of Directors of Buyer have been given to allow for the making and execution of this Agreement.

6. DOCUMENTS. At or before the Close of Escrow, Seller shall deliver to Escrow Agent the following:

- a) A Special Warranty Deed, duly executed and acknowledged on behalf of the Board of Supervisors of the Seller, conveying the Property to the Buyer.
- b) Such other documents as shall be reasonably required by Escrow Agent as a condition to insuring title to the Property.
- c) If applicable, an Affidavit of Disclosure.

7. BREACH OF AGREEMENT, DAMAGES.

a) In the event of (i) the breach or non-performance of this Agreement by Seller, or (ii) a default in the performance of any of its obligations hereunder by Seller, then the Seller shall be liable for all customary escrow cancellation charges and the Contract Deposit shall be returned to the Buyer. Such payments will be the Buyer's sole and exclusive remedy in the event of default by Seller. Buyer hereby waives and releases any right to (and hereby covenants that Buyer shall not) sue the Seller for (a) specific performance, or (b) damages.

b) In the event Buyer fails to close this transaction, other than due to the default of the Seller, the Buyer shall be liable for all customary escrow cancellation charges and shall forfeit one-half of the Contract Deposit, plus the cost for the appraisal and one-half of the cost of the preliminary title report, and such charges shall be the Seller's sole and exclusive remedy. Seller hereby waives and releases any right to (and hereby covenants that Seller shall not) sue the Buyer for (a) specific performance, or (b) damages. Additionally, upon default, Buyer acknowledges that Seller may then offer to sell the Property to the second highest bidder at the price bid by the second highest bidder, under the terms set for in the Bid Package. Buyer further acknowledges that only upon successful close of escrow with the "subsequent buyer" is Buyer entitled to a full refund of the Fee Reimbursements.

8. "AS IS, WHERE IS." This sale is in a strict "AS IS, WHERE IS" condition, as set forth in the "Bid Package"

9. BROKER. The parties represent each to the other that a 0.5% brokerage commission will be paid by the Seller at the close of escrow to any licensed Real Estate Broker who is the effective procuring cause of the transaction provided that the Broker has registered a prospect as set forth in the Invitation for Public Auction (Bid Package) who then successfully closes title to the property.

10. NOTICES. No notices, waiver or other communication under this Agreement shall be effective unless in writing and personally served, sent by certified mail, return receipt requested, with postage prepaid or by commercial express delivery service providing receipted delivery or by facsimile transmissions provided confirmation of the completed transmission shall be retained. All such notices shall be addressed to the parties at the addresses noted herein above. If personally served or sent via commercial delivery service,

any such matter shall be deemed given at the time of such service or, if by mail, at the time of depositing same in a post office box regularly maintained by the United States Postal Service.

11. ASSIGNMENT. The within Agreement may not be assigned by Buyer without the written consent of the Seller. Because the Buyer was the successful bidder at public auction, the Seller has the absolute discretion whether to consent to or deny any proposed assignment.

12. GENERAL PROVISIONS:

a) Date of Agreement. The date of this Agreement for all purposes where such date is referenced herein shall be the date on which The Maricopa County Board of Supervisors signs this Agreement, which date shall be inserted at the top of the first page hereof.

b) Counterparts. This Agreement may be signed in any number of counterparts with the same effect as if the signatures thereto and hereto were upon the same instrument.

c) Applicable Law. This Agreement and the performance hereof shall be governed, interpreted, construed and regulated by the laws of the State of Arizona.

d) Severability. If any term, covenant, condition or provision of this Agreement, or the application thereof to any person or circumstance shall, at any time or to any extent, be invalid or unenforceable, the remainder of this Agreement, or the application of such terms or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term, covenant, condition and provision of this Agreement shall be valid and be enforceable to the fullest extent permitted by law.

e) Interpretation. Wherever herein the singular number is used, the same shall include the plural, and the masculine gender shall include the feminine and neuter genders, and vice versa, as the context shall require.

f) Section Headings. The Section headings in this Agreement are inserted only as a matter of convenience in reference and are not to be given any effect whatsoever in construing any provision of this Agreement.

g) Time. Time is of the essence of this Agreement. Any extension of time granted for the performance of any duty under this Agreement shall not be considered an extension of time for the performance of any other duty under this Agreement. Unless otherwise indicated, all periods of time referred to in this Agreement shall refer to calendar days and shall include all Saturdays, Sundays and State or national holidays, provided that if the date or last date to perform any act or give any notice with respect to this Agreement shall fall on a Saturday, Sunday or State or national holiday, such act or notice may be timely performed or given on the next succeeding day which is not a Saturday, Sunday or State or national holiday.

h) Waiver. Failure of any party to exercise any right or option arising out of a breach of this Agreement shall not be deemed a waiver of any right or option with respect to any subsequent or different breach, or the continuance of any existing breach.

i) Governing Law. This Agreement shall be deemed to be made under, and shall be construed in accordance with and shall be governed by, the laws of the State of Arizona, and arbitration proceedings, if applicable, or suit to enforce any provision of this Agreement or to obtain any remedy with respect hereto may be brought in the Superior Court of the State of Arizona, Maricopa County, and for this purpose each party hereby expressly and irrevocably consents to the jurisdiction of said Court. This contract is subject to A.R.S. 38-511 and may be canceled pursuant thereto.

j) Expiration of Offer. Buyer shall execute this Agreement on date of auction and Seller shall execute and deliver into escrow within forty-five (45) days after auction date. Upon Buyer's execution, this Agreement shall constitute an offer, which if not accepted by Seller's execution and delivery to Escrow Agent within forty-five (45) days thereafter, shall be deemed to expire and be of no further force or effect, unless extended or otherwise agreed to by Buyer in writing.

BIDDER:

By: _____

Title: _____

Date: _____

STATE OF ARIZONA)

) ss

COUNTY OF MARICOPA)

Before me, _____, Notary Public in and for said County, State of Arizona, on this day personally appeared _____, known to me to be the person whose name is subscribed to the forgoing instrument.

Given under my hand and seal of the office this _____ day of June, 2017.

Notary Public

ACCEPTANCE BY ESCROW AGENT

The Purchase Agreement & Escrow Instructions and Contract Deposit are accepted on this _____ day of June, 2017. Funds will be deposited into the escrow account immediately, with escrow opening upon receipt of the fully executed Agreement.

ESCROW AGENT:

By: _____
Escrow Officer

RECOMMENDED FOR APPROVAL:

C. Michelle Colby, SR/WA
Chief Real Estate Officer

Jennifer Toth, P.E.
Director, Maricopa County Department
of Transportation

ACCEPTED AND APPROVED

MARICOPA COUNTY BOARD OF SUPERVISORS

By _____
Chairman of the Board

STATE OF ARIZONA)
)ss
COUNTY OF MARICOPA)

Before me, _____, Notary Public in and for said County, State of
Arizona, on this day acknowledges _____, known to
me to be the person whose name is subscribed to the foregoing instrument as the Chairman
of the Board of the Supervisors described in the foregoing instrument.

Given under my hand and seal of the office this ____ day of _____, 20____

My Commission Expires _____

Notary Public (signature)

Approved as to form and within the powers
and authority of the Board of Supervisors

Approved as to form _____
Deputy Maricopa County Attorney

Date: _____

APPENDIX

AN APPRAISAL REPORT OF

A VACANT PARCEL OF LAND LOCATED $\pm 150'$ SOUTH OF THE
SOUTHERN SIDE OF MARICOPA COUNTY ROUTE 85, THE THIRD LOT EAST OF
ARIZONA STATE ROUTE 85 (WITH FRONTAGE ON AN UNNAMED GRAVEL ACCESS
ROAD) WITHIN THE CITY OF BUCKEYE, MARICOPA COUNTY, ARIZONA
WESTERN PORTION OF APN 401-87-001L
MCDOT PROJECT #TA-001, ITEM #D23408.
PROPERTY OWNERS: MARICOPA COUNTY



AERIAL PARCEL MAP OUTLINED IN YELLOW

Prepared For and Authorized By

Ms. Deborah Fisher
Real Estate Property Specialist
Maricopa County Department of Transportation
Public Works - Land and Right-of-Way Division
2801 West Durango Street
Phoenix, Arizona 85009-6357

Effective Date of Valuation

March 9, 2017

Date of Report

March 21, 2017

Prepared By

Jay G. Hulet, CCRA
President
Hulet & Associates, Inc.
1715 East Enrose Street, Suite B
Mesa, Arizona 85203

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jay.hulet@cox.net



Jay G. Hulet, CCRA
President

Established 1999

March 21, 2017

Ms. Deborah Fisher
Real Estate Property Specialist
Maricopa County Department of Transportation
Public Works - Land and Right-of-Way Division
2801 West Durango Street
Phoenix, Arizona 85009-6357

RE: An Appraisal Report of a vacant parcel of land located $\pm 150'$ south of the southern side of Maricopa County Route 85, the third lot east of Arizona State Route 85, (with frontage on the northern side of an unnamed gravel access road) within the City of Buckeye, Maricopa County, Arizona. MCDOT Project #TA-001, ITEM #D23408.

Dear Ms. Fisher:

Please find attached a copy of my appraisal report for a market valuation for the sales auction of the subject property, which is the function of this report, at the request of MCDOT (Maricopa County Department of Transportation). This appraisal report estimates the Market Value in the fee simple interest with an effective date of value of March 9, 2017, for the above referenced property.

The final value estimates are subject to the assumptions, limiting conditions and value definition shown in the body of this appraisal report. During the course of this appraisal and analysis, I became familiar with the subject property and its location.

This appraisal report has been made in accordance with the Standards of Professional Appraisal Practice of the Appraisal Institute, USPAP and the Right-of-Way Appraisal Policies and Procedures, Standards and Specifications of the Maricopa County Department of Transportation. **Also, the Special Limiting Conditions, located on Page Five of the attached report, are an important and integral part of this report. Please note that this report contains five Extraordinary Assumptions, as outlined on Page Five and within the attached report.**

This Appraisal Report is a brief recapitulation of the appraiser's data, analyses, and conclusions. This Appraisal Report is intended to comply with the reporting requirements set forth under Standard Rules 2-2(b) of the Uniform Standards of Professional Appraisal Practice for an Appraisal Report. As such, it might not include full discussions of the data, reasoning, and analyses that were used in the appraisal process to develop the appraiser's opinions of value. Additional supporting documentation concerning the data, reasoning, and analyses is retained in the appraiser's file.

Ms. Deborah Fisher
March 21, 2017
Page Two

The information contained in this report is specific to the needs of the client and for the intended use stated in this report. The appraiser is not responsible for unauthorized use of this report. The value conclusions are as follows:

Market Valuation Conclusion

Based on the market data found in my research, appropriate analysis and professional judgment, it is my opinion that the indicated market value of the 5.00-acre subject property, as of the effective date of this appraisal, March 9, 2017, is:

**\$260,000 (\$1.20/SF)
TWO HUNDRED SIXTY THOUSAND DOLLARS**

I appreciate the opportunity to be of service to you.

Respectfully submitted,



Jay G. Hulet, CCRA
President
Certified General Real Estate Appraiser
Arizona Certificate #30200

TABLE OF CONTENTS

Executive Summary.....	1
Underlying Assumptions and Limiting Conditions.....	3
Special Limiting Conditions.....	5
Subject Photographs.....	6
 Introduction.....	 11
Identification of the Subject.....	11
Scope of the Appraisal.....	11
Identification of Client.....	12
Intended Use and Intended Users of the Appraisal Report.....	13
History of the Subject Ownership.....	13
Property Owner Contact.....	13
Effective Date of Valuation and Date of the Report.....	13
General Appraisal Definitions.....	13
Area Analysis.....	15
Neighborhood Description.....	31
Subject Site Description.....	35
Highest and Best Use.....	45
Valuation Process.....	49
Land Valuation - Sales Comparison Approach.....	50
Final Subject Market Value Conclusion.....	74
Exposure Time and Marketing Period.....	75
Certification.....	76-77

ADDENDA

Appraiser's Qualifications
Subject Legal Description
Subject Title Report

EXECUTIVE SUMMARY

Property Identification:	A vacant parcel of land
Property Location:	Southern side of Maricopa County Route 85, the third lot east of Arizona State Route 85, with frontage on the northern side of an unnamed gravel access road, within the City of Buckeye, Maricopa County, Arizona
Assessor's Tax Parcel No.:	Western Portion of 401-87-001L
Subject Property Owner:	Maricopa County
Subject Site Area:	5.00 Acres (217,800 SF)
Zoning:	Zoned C-3, Regional Commercial, by City of Buckeye
Flood Zone Designation:	Zone "X" per Flood Map Panel #04013C-2580L, with no cautionary flood plains.
Highest and Best Use:	Business employment industrial
On-Site Improvements:	None noted
Date of Inspection:	March 9, 2017
Effective Date of Valuation:	March 9, 2017
Date of Report:	March 21, 2017
Concluded Subject Market Value:	\$260,000 (\$1.20/SF)
Exposure Time/Marketing Period:	3 Months/6 Months

UNDERLYING ASSUMPTIONS AND LIMITING CONDITIONS

1. That a legal description of the subject property in its entirety was provided by the client, and is considered to be accurate and correct.
2. That an entire site survey was not provided to the appraiser by the client, and that all other plans and specifications noted in this report are correct.
3. That the title to the property is marketable, free and clear of all liens.
4. That the property is appraised as if owned in fee simple title.
5. That the fee simple estate in the property contains all interests which may exist.
6. That responsible ownership and competent management exist for the property.
7. That the appraiser is not responsible for the accuracy of the opinions furnished by others and contained in this report, nor is he responsible for the reliability of government data utilized in the report.
8. That compensation for appraisal services rendered is dependent only upon the delivery of this report and that it is not contingent upon the values estimated herein.
9. That this report considers nothing of a legal character and that the appraiser assumes no responsibility for matters of a legal nature.
10. That testimony or attendance in court is not required by reason of this appraisal, unless arrangements are previously made.
11. That hidden defects within the materials of the structures, or defects which are inaccessible to normal inspection, are not the responsibility of the appraiser.
12. That construction, whether existing or to be completed, is assumed to be done according to the plans and specifications furnished to the appraiser, and that such construction is legal in character and meets all governmental requirements.
13. That information furnished by the client, property owner, agent or management is correct as received.
14. That the appraiser cannot predict or evaluate the possible effects of future wage price control actions of the government upon rental income or financing of the subject property; hence, it is assumed that no control will apply which would nullify contractual agreements, thereby changing property values.

15. That the subject property as of the date of the appraisal report Certification signature, is not in violation of the National Environmental Policy Act, the State Environmental or Clean Air Act, or any and all similar government regulations or laws pertaining to the environment.
16. That neither this report, nor any of its contents, may be used for the sale of shares or similar units of ownership in the nature of securities, without specific prior approval of the appraiser. That no part of this appraisal may be reproduced without the permission of the appraiser.
17. This report is signed in blue ink, includes raised lettering company-letterhead on the second page, color laser photographs and maps, and has been bound with a dark green colored back cover. Any copy that does not have these components is unauthorized and may have been altered (unless an authorized/signed copy exists in PDF form).
18. That this report is the confidential and private property of the client and the appraiser. Any person other than the appraiser or the client who obtains and/or uses this report or its contents for any purpose not so authorized by the appraiser or the client is hereby forewarned that all legal means to obtain redress may be employed against him/her. The appraiser recognizes that this appraisal is also meant to be shared with the public by the client for purposes of the public auction sale of the subject property. However, this is the only use of this report by the public that is permitted by the appraiser, which also may include being used for financing for the express purpose of purchasing the subject property.
19. That virtually all land in Arizona is affected by pending or potential litigation by various Indian tribes claiming superior water rights for their reservations. The amounts claimed and the effects on other water users are largely undetermined, but the claims could result in some curtailment of water usage or ground water pumping on private land. The Ground Water Management Act (as amended) may also restrict future ground water pumping in various parts of the state. Given this uncertainty, neither the undersigned nor any of his representatives can make warranties concerning rights to or adequacy of the water supply with respect to the premises, although the sale of premises include such water rights as are appurtenant thereto.
20. This appraisal does not take into consideration the possibility of the existence of asbestos, PCB transformers, urea formaldehyde foam insulation, or other toxic, hazardous, or contaminated substances, and/or underground storage tanks (containing hazardous materials), or the cost of encapsulation or removal thereof. The appraiser is not qualified to detect or evaluate such substances.
21. Statement of Policy. The following statements represent official policy of the Appraisal Institute with respect to neighborhood analysis and the appraisal of real estate:
 - a. It is improper to base a conclusion or opinion of value upon the premise that the racial, ethnic, or religious homogeneity of the inhabitants of an area or of a property is necessary for maximum value.

- b. Racial, religious and ethnic factors are deemed unreliable predictors of value trends or price variance.
- c. It is improper to base a conclusion or opinion of value, or a conclusion with respect to neighborhood trends, upon stereotyped or biased presumptions relating to race, color, religion, sex, or national origin, or upon unsupported presumptions relating to the effective age or remaining life of the property being appraised or the life expectancy of the neighborhood in which it is located.

Special Limiting Conditions

- 1. The following items relating to the subject was not available to the appraiser: soil report, environmental report, and other information as noted throughout the report.
- 2. Please note that this report contains five Extraordinary Assumptions. First, it assumes that there are no known archaeological significance found on the subject site. Second, it assumes that there is no known geological significance found on the subject site. Third, it assumes there are no known environmental risks or hazardous conditions found on the subject site. Fourth, there are no adverse drainage conditions existing on the subject. Fifth, the appraisal assumes that there are no easements, encroachments or restrictions currently in place which adversely affect the value of the subject. Extraordinary Assumptions is defined within the first section of the report.
- 3. Please note that the use of the Extraordinary Assumptions may have affected the valuation results.

SUBJECT PHOTOGRAPHS



Front View Of Subject Looking North Across Site From Unnamed Gravel Access Road Along Its Southern Frontage.



View Of Subject Looking South From Northern Boundary (At Yellow Line).



View Of Subject Looking Northwesternly Across Site
From Its Southeasterly Corner At Gravel Access Road.



View Looking Northeasterly Across Subject Site From Its
Southwestern Corner At Its Southern Gravel Access Road (Unnamed).



Street Scene Looking East On Subject's
Southern Access Road With Subject At Left.



Street Scene Looking West From Subject's
Southern Access Road With Subject At Right.



View Looking North From Subject's Northern Border (Pink Line) Showing Distance To An Improvement (Shell Gas) Located On Northern Side Of MC85.



View Between Subject's Northern Border (Pink Line At Left) And MC85 Road (Pink Line At Right) With Dirt Ditch And Other Dirt Areas In Between Them.



View Looking Westerly Showing Dirt Ditch Located Between MC85 (Pink Line At Right) And The Subject's Northern Border (Circled Telephone Pole At Left).



Another View Looking South Across Subject Site From Northern Border.

INTRODUCTION

Identification of the Subject

The subject consists of a vacant property located just south of the southern side of Maricopa County Route 85, about the third lot east of Arizona State Route 85, with frontage on the northern side of an unnamed gravel access road, within the City of Buckeye, Maricopa County, Arizona. The Subject is defined as the western portion of Assessor's Parcel Number 401-87-001L, containing 5.00 acres. Please see the Addenda at the end of the report for a complete legal description of the subject.

Scope of the Appraisal

The appraisal identifies and describes the subject as well as estimates the market value in the fee simple interest of the property. The scope of the appraisal included:

1. A physical inspection of the subject and the surrounding area.
2. A collection of zoning data from the City of Buckeye, including any stipulations which may affect the use of the site. Also, a review of the General Plan for the subject as provided by the controlling municipality, plus discussions with appropriate city/county and/or town planners regarding the subject.
3. Conversations with market participants, including real estate brokers, property owners and representatives of financial institutions, etc. in the metro Phoenix area;
4. Examination and analysis of the market relative in the subject's area using data developed by the appraiser as well as other secondary sources of information.
5. Primary data collection, including gathering land sales based on the subject's highest and best use. Data is typically researched utilizing five sources, namely, 1) CoStar Comps (a paid subscription service), 2) ARMLS (Arizona Regional Multiple Listings Service), also known as "MLS" (a paid subscription service), 3) RealQuest (a paid subscription service), 4) a search of properties in the area utilizing the adjacent Maricopa County's website which includes mapping and affidavit research, and 5) speaking to brokers and property owners in the subject's area. This research process includes confirming this information with a data source, plus by County records (affidavit), plus with the appropriate buyer, seller, and/or selling/buying broker of the transaction. However, when none of the sale's parties can be reached, the public data source and the County information are considered to be accurate.
6. Application of the relevant approaches, as outlined below, to value based on the Highest and Best Use of the subject as well as the availability of pertinent market data.

Typically, the market value of real estate can be estimated by applying three approaches: Cost, Sales Comparison and Income. Since the subject site is being appraised "as vacant", only the Sales Comparison Approach applies for the valuation. Thus, the Cost Approach and Income Approach are not utilized in the valuation; the Sales

Comparison Approach will be utilized to estimate the market value of the subject (as vacant).

7. Conclusion of a final Market Value of the subject (as vacant) based on the analysis of the appraisal.

Hypothetical Conditions:

That which is contrary to what exists but is supposed for the purpose of analysis. Hypothetical conditions assume conditions contrary to known facts about physical, legal, or economic characteristics of the Subject Property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis. A hypothetical condition may be used in an assignment only if:

- Use of the hypothetical condition is clearly required for legal purposes, for purposes of reasonable analysis, or for purposes of comparison;
- Use of the hypothetical condition results in a credible analysis; and the appraiser complies with the disclosure requirements set forth in USPAP for hypothetical conditions.¹

The Subject Property's valuation does not contain any Hypothetical Conditions.

Extraordinary Assumptions:

An assumption, directly related to a specific assignment, which, if found to be false, could alter the appraiser's opinions or conclusions. Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property; or about conditions external to the property such as market conditions or trends; or about the integrity of data used in an analysis. (USPAP, 2016-2017 ed., The Appraisal Foundation)

The appraisal contains five Extraordinary Assumptions. First, it assumes that there are no known archaeological significance found on the subject site. Second, it assumes that there is no known geological significance found on the subject site. Third, it assumes there are no known environmental risks or hazardous conditions found on the subject site. Fourth, there are no adverse drainage conditions existing on the subject. Fifth, the appraisal assumes that there are no easements, encroachments or restrictions currently in place which adversely affect the value of the subject.

Please note that the use of the Hypothetical Conditions and/or Extraordinary Assumptions might have affected the valuation results.

Identification of Client

The client is identified as the Maricopa County Department of Transportation.

Intended Use and Intended Users of the Appraisal Report

The intended use of the report is to provide a single point estimate of market value for the subject to establish a market value for the planned auction sale of the subject property. The intended user of the appraisal report is the Maricopa County Department of Transportation. The appraiser recognizes that this appraisal is also meant to be shared with the public by the client for purposes of the public auction sale of the subject property. However, this is the only use of this report by the public that is permitted by the appraiser, which also may include being used for financing for the express purpose of purchasing the subject property.

Exposure Time

The estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal.²

Marketing Period

An opinion of the amount of time it might take to sell a real or personal property interest at the concluded market value level during the period immediate after the effective date of an appraisal.³

History of the Subject Property Ownership

According to public records and information provided by the client, the subject is owned by Maricopa County, which has owned the subject for more than the past three years. Further, to the best of my knowledge, the subject is not currently listed for sale.

Property Owner Contact

Since the owner is also the client, there is no need for the appraiser to make separate contact with the owner about the appraisal of their property.

Effective Date of Valuation and Date of Report

The subject was inspected on March 9, 2017 by myself, Jay Hulet. Therefore, the effective date of value is March 9, 2017. The report date is March 21, 2017.

GENERAL APPRAISAL DEFINITIONS:

Appraisal: The act or process of developing an opinion of value; an opinion of value.⁴

Appraiser:

One who is expected to perform valuation services competently and in a manner that is independent, impartial and objective.⁵

²*The Dictionary of Real Estate Appraisal*, The Appraisal Institute, 5th Edition, Online.

³ Ibid.

⁴USPAP, 2016-2017 Edition, Definitions, effective through December 31, 2017; page 1.

⁵USPAP, 2016-2017 Edition, Definitions, effective through December 31, 2017; page 1.

Fee Simple Estate:

Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the government powers of taxation, eminent domain, police power, and escheat.⁶

Leased Fee Estate:

A freehold (ownership interest) where the possessory interest has been granted to another party by creation of a contractual landlord-tenant relationship (i.e., a lease).⁷

Leasehold Interest:

The tenant's possessory interest created by a lease.⁸

Price:

The amount asked, offered, or paid for a property. Once stated, price is a fact, whether it is publically disclosed or retained in private. Because of the financial capabilities, motivations, or special interests of a given buyer or seller, the price paid for a property may or may not have any relation to the value that might be ascribed to the property by others.⁹

Market Value:

The definition of Market value was revised on October 22, 2002, as the Arizona Revised Statutes, Section 12-1122, to read:

Market Value shall be determined by ascertaining the most probable price estimated in terms of cash in United States Dollars or comparable market financial arrangements that the property would bring if exposed for sale in the open market, with reasonable time allowed in which to find a purchaser, buying with knowledge of all of the uses and purposes to which it was adapted and for which it was capable.

“As Is” Market Value:

The estimate of the market value of real property in its current physical condition, use, and zoning as of the appraisal date.¹⁰

Exposure Time:

The estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal.¹¹

³*The Dictionary of Real Estate Appraisal*, The Appraisal Institute, 5th Edition, Online.

⁷Ibid.

⁸*The Dictionary of Real Estate Appraisal*, The Appraisal Institute, 5th Edition, Online.

⁹Ibid.

¹⁰Ibid.

¹¹USPAP, 2016-2017 Edition, Definitions, effective through December 31, 2017, pages 2-3.

AREA ANALYSIS

Over the past 30 years, the Phoenix Metropolitan Area has been one of the fastest growing regions in terms of population and employment growth in America. The growth has been attributed to a variety of factors including favorable cost of living, employment opportunities, reasonable housing costs, healthy lifestyle and good weather.

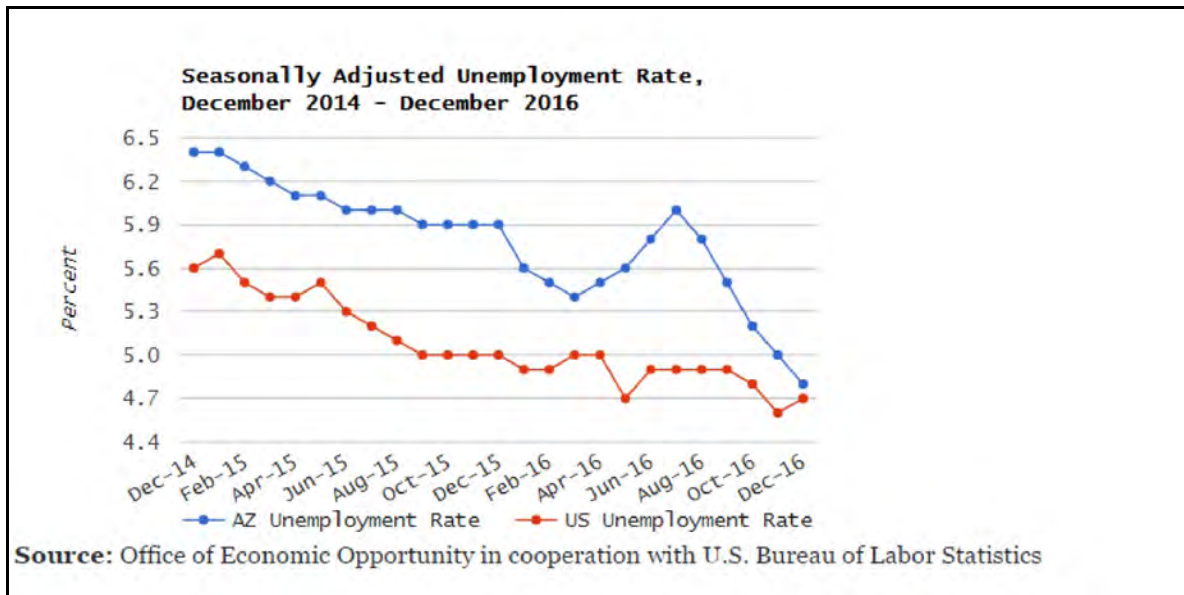
Metropolitan Phoenix is located in Maricopa County which is also known as the Valley of the Sun. For all practical purposes they are one and the same. Maricopa County is located in south central Arizona and consists of $\pm 9,222$ square miles of land area (98 square miles contain water). Phoenix is the state capital, county seat and the largest city in the state. The Phoenix Metropolitan area has grown over the past 20 years to become the 6th largest city in the country. Growth has been attributed to a variety of factors, including favorable cost of living, reasonable housing costs, healthy life style, weather and availability of employment.

The official town site was originally selected in 1870, although several people were living in the area in the early 1860's. In the late 1860's, the Swilling Irrigation Canal Company was organized and is responsible for giving Phoenix its name. The new city was to be located on top of ancient canals and villages of a vanished civilization and therefore rise upon the ashes of the old-just as the legendary Phoenix, when consumed by fire, rose from its own ashes. Phoenix incorporated in 1881. The coveted All-America designation has been awarded to Phoenix five times.

Employment


After record-setting population and employment growth during the period of 1984-86, the Phoenix metropolitan area suffered a major reversal which began about 1987. This downturn continued through 1992 with declines in population growth rates and employment growth. The most severe contractions during this period occurred in the construction sector, and the related areas of finance, insurance and real estate. Prior to 1987, construction in the Phoenix area had occurred at levels that exceeded demand generated by population and employment growth. This resulted in an extremely overbuilt market. These conditions largely resulted from speculation and optimistic expectations of various real estate market participants.

Although the civilian labor workforce in Arizona has steadily grown over last 20 years with a rising population, the unemployment rate in 2017 was 4.8% as compared to an unemployment rate of only 3.9% in the year 2000. However, the unemployment rate has been decreasing slowly over the past three years, as seen in the graph on the following page which was displayed by the Arizona Department of Administration.



Source: Arizona Department of Administration (www.workforce.az.gov)

Phoenix is the State's employment, administrative and economic center. The Phoenix-Mesa MA dominates the State's economy, accounting for approximately 66% of the State's total employment. The following table illustrates employment trends in Maricopa County/Metropolitan Phoenix.

Arizona Forecast	2015	2016	2017	2018	2019	2020
Personal Income (\$ mil)	267,361.1	277,338.4	293,788.2	311,442.9	329,042.4	348,725.0
% Chg from Year Ago	4.5%	3.7%	5.9%	6.0%	5.7%	6.0%
Retail Sales (\$mil)	92,646.1	94,835.4	98,733.6	103,953.0	109,291.0	115,104.0
% Chg from Year Ago	4.7%	2.4%	4.1%	5.3%	5.1%	5.3%
Total Nonfarm Employment (000s)	2,634.6	2,682.3	2,747.8	2,825.8	2,894.2	2,969.2
% Chg from Year Ago	2.5%	1.8%	2.4%	2.8%	2.4%	2.6%
Population (000s), July 1st estimates	6,758.3	6,835.5	6,943.0	7,064.6	7,188.6	7,313.7
% Chg from Year Ago	1.4%	1.1%	1.6%	1.8%	1.8%	1.7%
Residential Building Permits (units)	28,910.0	35,839.2	40,275.0	44,370.6	45,108.4	45,533.5
% Chg from Year Ago	7.1%	24.0%	12.4%	10.2%	1.7%	0.9%
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Published by  Economic and Business Research Center, The University of Arizona.					Powered by dataZoa	

AZ Dept. of Economic Security.

Unemployment rates (annual average) have generally improved over the past four years, recovering from recessionary factors in 2007. The table on the following page illustrates unemployment rates for Maricopa County (azstats.gov):

MARICOPA COUNTY UNEMPLOYMENT RATES

Year	Annual Average
2008	5.3%
2009	9.2%
2010	9.7%
2011	8.6%
2012	7.4%
2013	6.9%
2014	5.5%
2015	4.5%
2016	4.0%

The Phoenix regional economy overall is fairly well diversified and is expected to generate more employment growth at a moderate rate coupled with the difficult recovery from the recession.

Population Data and Trends

According to the 1980-1990 Intercensal Population Estimates of Arizona Counties published by the Arizona Department of Economic Security (D.E.S.) in 1991, Maricopa County had a 1990 population of 2,161,000 people. This represents a 42.63% increase over the 1980 population count. This equates to a 4.26% per year growth rate. It should be noted that the majority of this growth took place in the early and mid-1980's. Since 1991, the population has steadily been increasing, with yearly growth rates growing from 2.31% in 1991 to 2.84% in 1994. The population grew by an astounding 6.86%, or to 2,552,800 people by the end of 1995. Updated figures from D.E.S. shows a year-end 2001 population of 3,249,900. This is a 27.31% increase over the 1995 figure, or an average change of +4.55% per annum.

MARICOPA COUNTY HISTORIC POPULATION GROWTH

Year	Population	% Change From Previous Year
2001	3,173,219	+2.59%
2002	3,261,203	+2.77%
2003	3,353,875	+2.84%
2004	3,466,592	+3.36%
2005	3,577,074	+3.18%
2006	3,663,915	+2.84%
2007	3,753,413	+2.44%
2008	3,808,829	+1.47%
2009	3,821,136	+0.32%
2010	3,824,058	+0.07%
2011	3,843,370	+0.50%
2012	3,884,705	+1.07%
2013	3,944,859	+1.55%
2014	3,989,800	+1.13%
2015	4,090,000	+2.51%
2016	N/Av	N/Av

Source: azstats.gov

The preceding table shows that the rate of population growth has slowed over the past 6 years yet has remained positive for the past several years. The following table contains data from www.workforce.az.gov and illustrates the projected Maricopa County/Metropolitan Phoenix Population projections.

MARICOPA COUNTY PROJECTED POPULATION GROWTH

Year	Projected Population	% Change From Previous Year
2015	4,063,700	+1.85
2016	4,148,200	+2.08%
2017	4,239,400	+2.19%/yr

Figures provided by www.workforce.az.gov

Based upon the projections, Maricopa County/Metropolitan Phoenix is expected to grow at the more moderate (compared to the early 2000s) rate of $\pm 2.0\%$ per year, a rate which has not been exceeded since the year 2007.

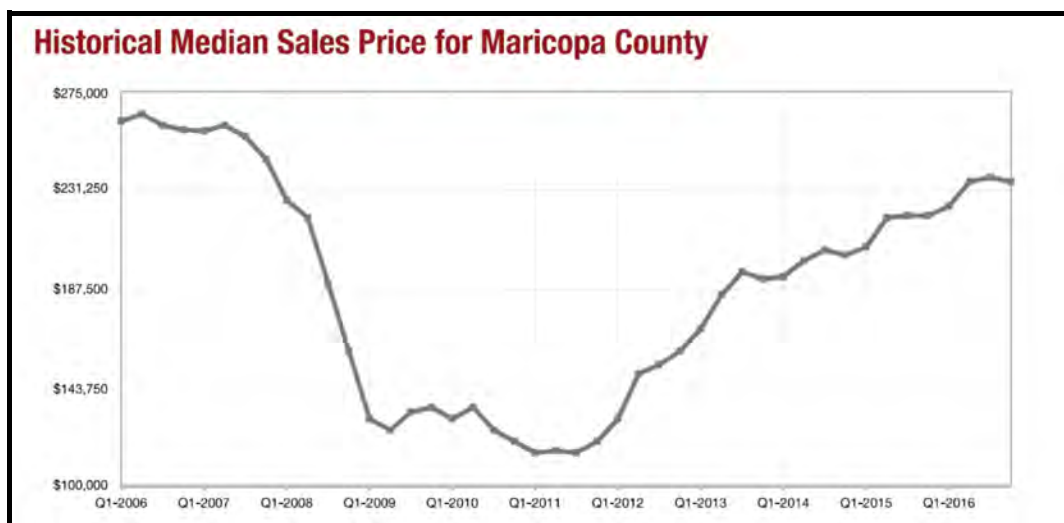
Although Phoenix metropolitan area has exhibited strong long-term historical growth, annual net population gains have varied substantially, following the economic cycles typically affecting the region. During economic downturns, new in-migration drops sharply.

Studies of in-migrants to Arizona indicate that most people who move to the state are young, with peak flows among those aged 20-29. Employment opportunities are the primary attraction, but the climate and quality of life are also significant factors.

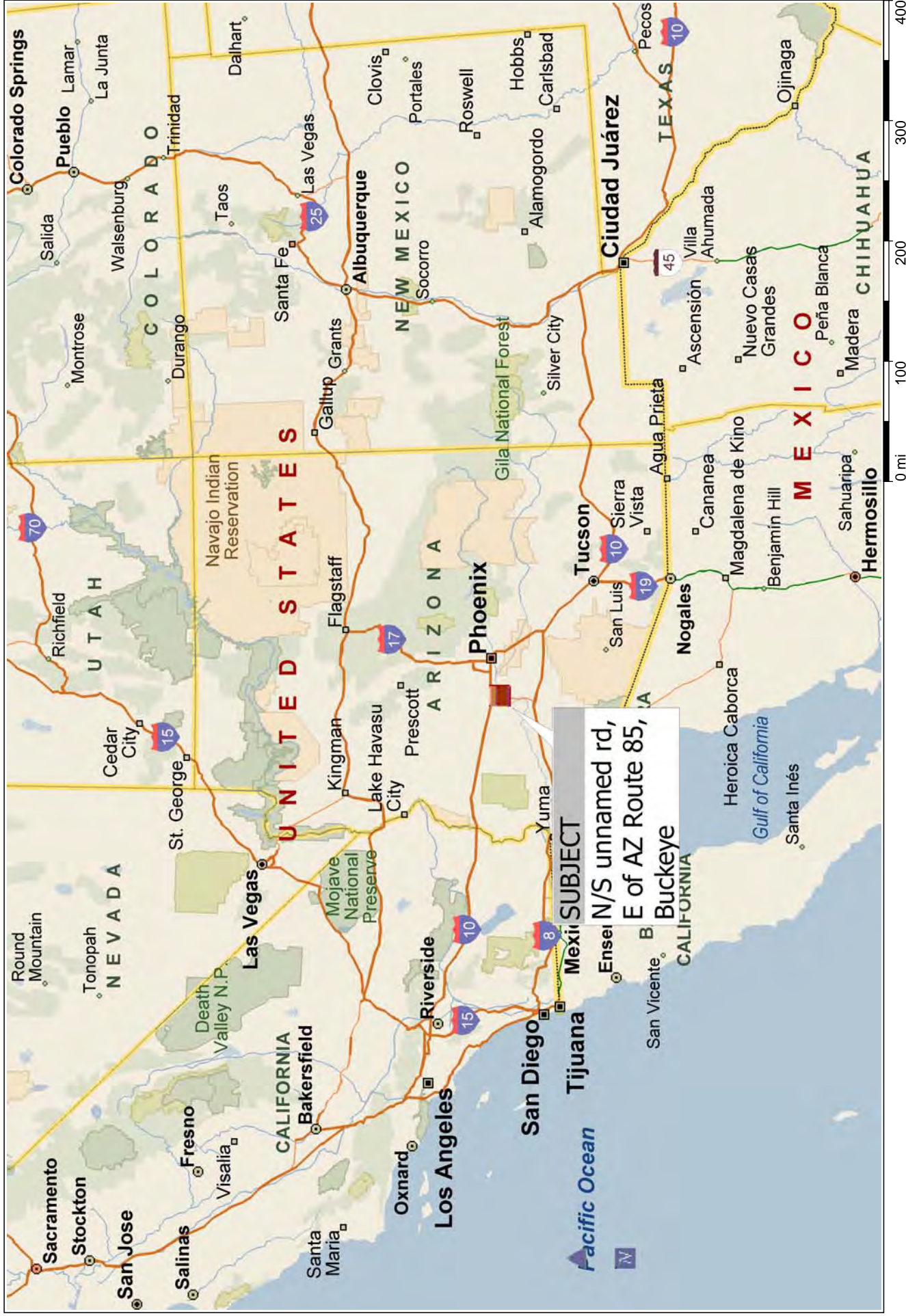
Net in-migration to the Phoenix metro area has been closely linked to the availability of employment, especially with construction employment, but also with the closely related finance, insurance and real estate (FIRE) sector. During peak in-migration years, construction activity typically performs at record levels, creating substantial employment and stimulating higher levels of in-migration. In-migration is also a force of related expansion of the FIRE sector during periods of rapid development and construction. Other factors that contribute to the high levels of in-migration include the pent-up demand following the recessionary periods and increases, primarily among young adults (age 20-29); the age group most likely to migrate. Minimal change is forecast for in-migration levels over the average levels of the last two decades. The number of young adults between 20-29, the primary source of in-migration, will decline nationally into the new century, reducing in-migration. This reduction in in-migration will be generally offset by the large pool of adults aged 30-44 and growth in the economy.

Housing

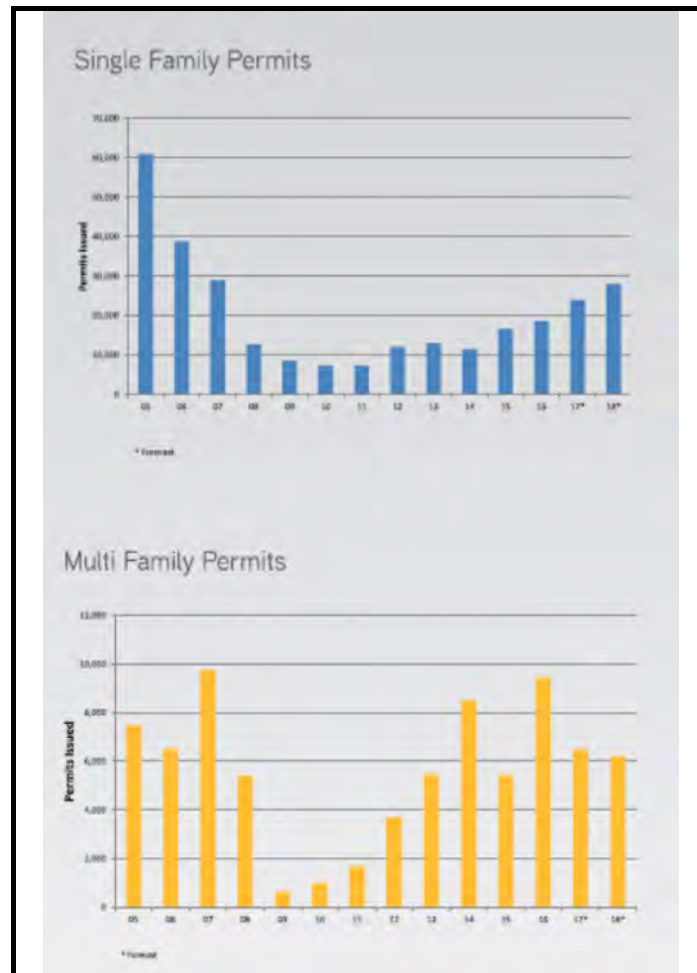
The metropolitan Phoenix/Maricopa County housing market is finally showing promising signs of a comeback. For example, median home prices increased at a rate of 9.4% in the past year (2016) along with stronger sales, which increased 21.9% over 2015 figures. These factors and other signs of an improving national economy has increased expectations for the metro Phoenix housing market in general. The following graphs depicts this trend:



ARIZONA STATE MAP



Housing permits were strong in 2006, dropping by nearly half in 2007 and continued to decline until remained strong in 2011. The following table shows the total permits issued for the metro Phoenix area for single family homes and multi-family units. This coupled with continued low mortgage rates will continue to fuel this recovery. An increase in demand for apartments recently has lowered the vacancy rates and provided a positive outlook for the division of the rental sector in 2017. The Greater Phoenix area apartment vacancy rate for year end 2016 was 6.0%, continuing a trend of declining apartment vacancy. Asking rents have also continued to steadily increase for the past four years.



In summary, the housing market continues to improve, but at a cautious rate as inventories are increasing along with the number of buyers due to the lack of increase in homes available for sale on the market. Still, metropolitan Phoenix is and always has been an attractive place to live driven by both industry and weather.

Land

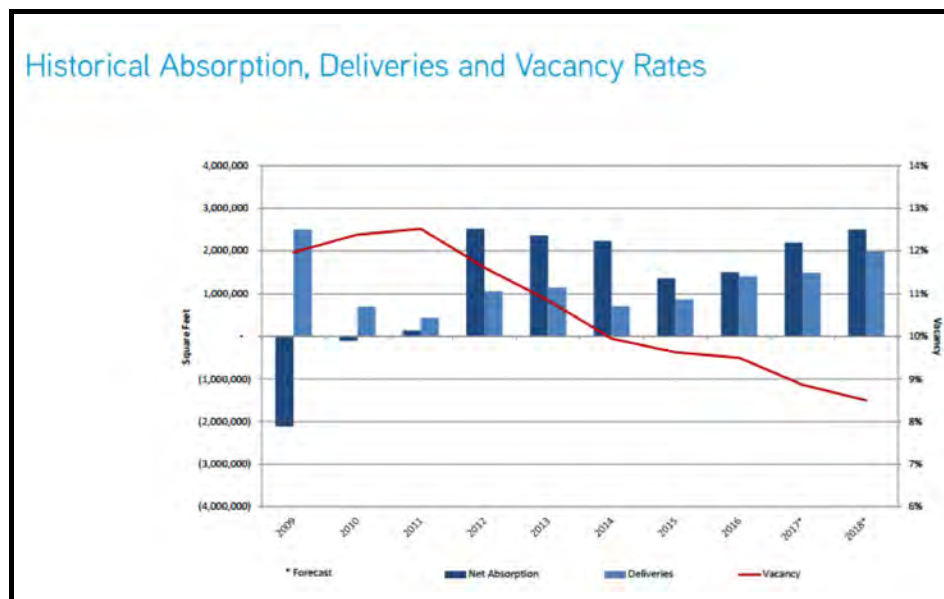
Recently, Greater Phoenix has experienced rising prices for land sales. Some types of land are expected to continue to increase due to increases in demand in various sectors. For example, agricultural acreage has seen increases in value as investors buy agricultural tracts of land with irrigation rights that can be used and leased in the interim in anticipation that they will eventually be developed into residential subdivisions. As previously discussed, the housing market is steadily

increasing. The median price of a new home has surpassed \$300,000 (in 2006), and is slowly creeping up again and is currently at about \$173,900 for a single family home in Maricopa County.

The median price of residential land parcels rose to \$3.39 per square foot, the highest price out of any year since the recession began in 2007. Sales of land for industrial purpose has gained recently in the market while commercial prices have taken a slight dip as of year-end 2016. Due largely to business expansion, fewer vacancies are occurring throughout the Greater Phoenix area, providing a good chance for commercial development.

Retail

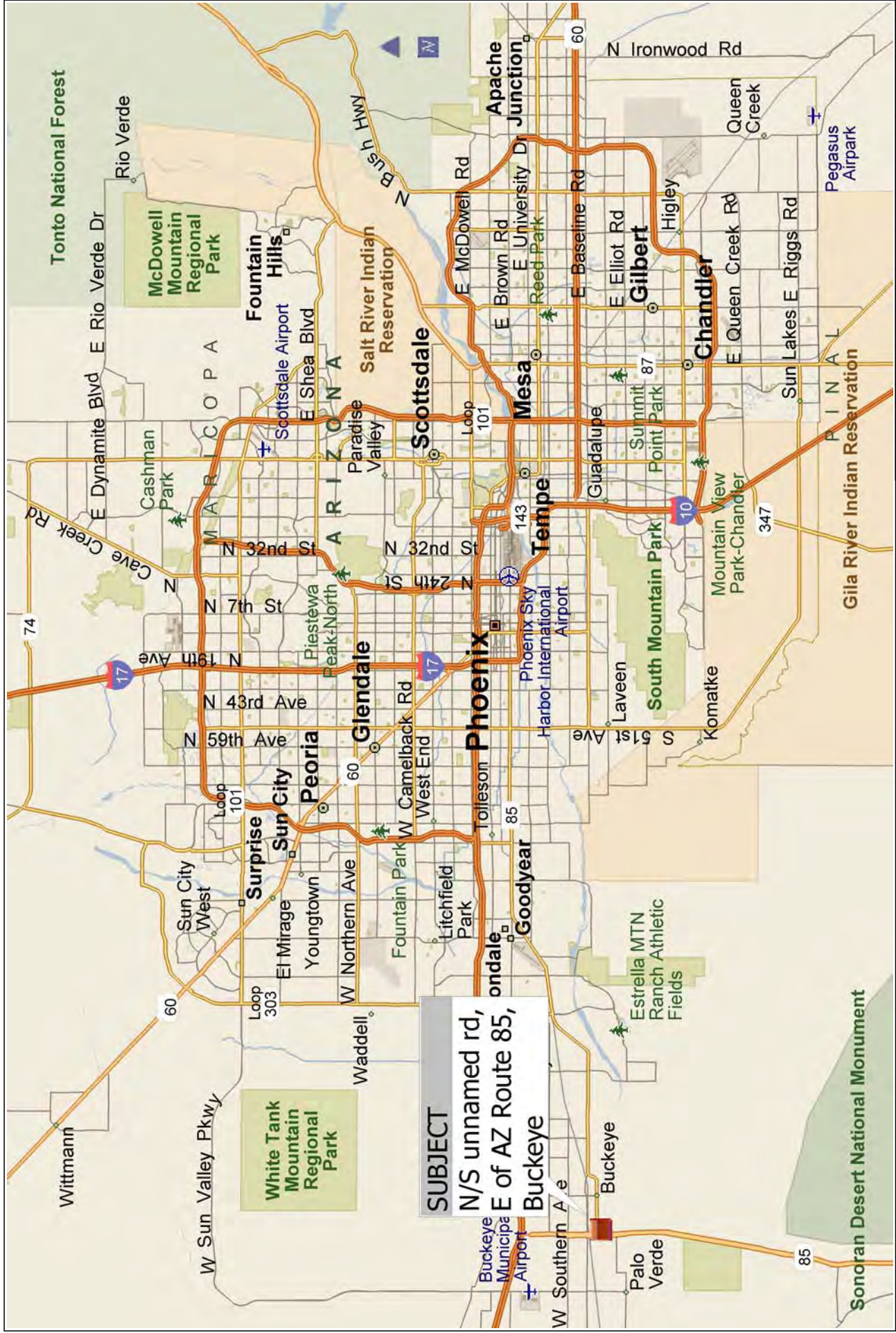
The overall vacancy rate for the metro area was 9.5% for year-end 2016, down from 10.5% from the previous year. The retail market is expected to improve due to a forecast of a boost in local employment. In addition, net absorption was the strongest it has been in more than a year for this sector of the market. While the housing market gradually gains momentum, this eventually results in a need for more retail space, especially in outlying areas of Metro Phoenix where new construction of residential subdivisions typically occur but many areas lack the retail necessary to support these new customers. Absorption rates have increased primarily due to the lack of new retail space being added to the market. The following chart shows the absorption, new retail space deliveries and vacancy rate trends for the metro-Phoenix area (per Colliers International).



Asking rental rates rose for the first time in several years beginning in 2015 and this trend continues to proceed cautiously in the market.

Overall, the metro-Phoenix retail market slowed from the boom of the 2006-2008 era and has just recently found its footing again as recently as 2015 progressing into 2017 with positive trends in the market and a national positive outlook for prosperity in the near future.

METROPOLITAN PHOENIX MAP



SUBJECT
N/S unnamed rd,
E of AZ Route 85,
Buckeye

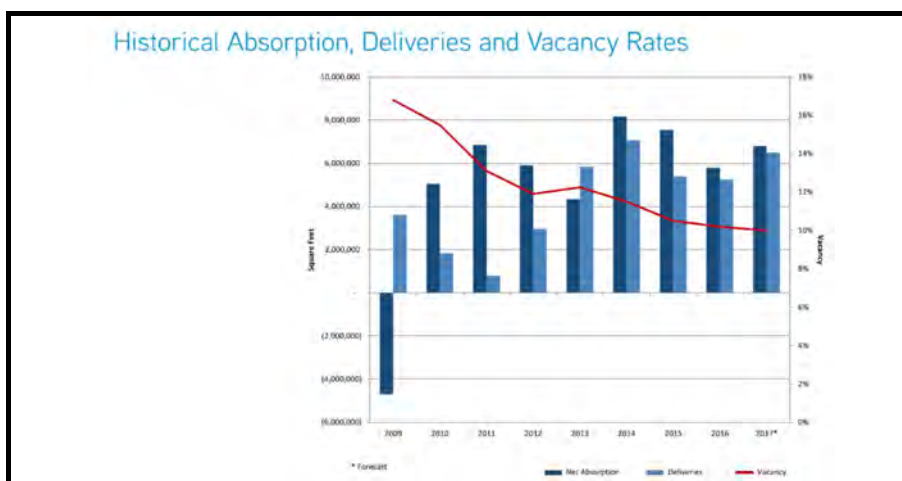
Industrial

Total inventory for the metro area represents about 278.9 million SF for 2014. The Southwest side of Buckeye Road is the largest submarket with about 85 million SF for 2014. Industrial vacancy for the metro area has reached its lowest point since 2007, showing 10.2% at the close of year 2016. The following table shows the past industrial performance.

Year	Industrial Under Construction (Gross SF)	Year-End Vacancy	Year-End Absorption (Net SF)
2007	7,918,934	10.1%	4,732,540
2008	1,730,744	16.4%	(-2,587,797)
2009	811,694	17.2%	(-4,101,222)
2010	146,878	17.2%	4,686,573
2011	2,915,245	13.8%	6,730,812
2012	4,683,704	12.8%	5,137,840
2013	5,190,681	12.9%	3,445,245
2014	3,762,684	12.9%	7,390,170
2015	3,550,063	10.7%	6,662,157
2016	4,096,585	9.7%	5,792,834

Source: Colliers International

The industrial market's vacancy rate has taken a long fall to the lowest rate to date, primarily the cause of continuing new inventory coupled with decreases in demand. This trend has slowly turned around and is showing signs of potential positive trends in the market. Despite the small uptick in construction for 2016, it is still lower than the higher amounts experienced a few years ago when vacancy rates were still higher. Absorption is expected to be strong as well (see next chart), with over 5.79 million square feet being absorbed during the 2016. In addition, even though the vacancy has decreased, rental rates have increased nearly 4% in the past 12 months.



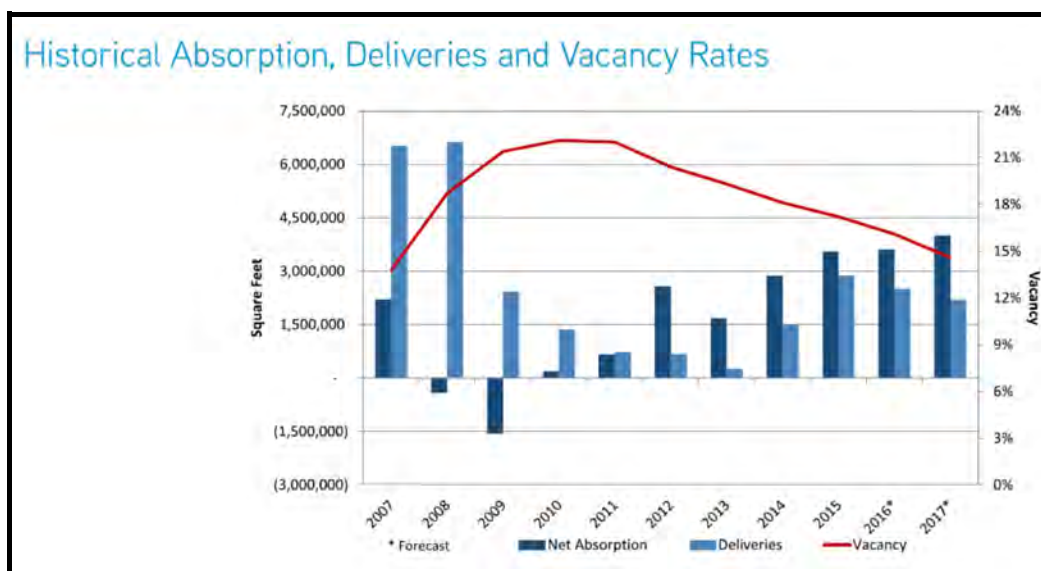
Office

The office market of the Greater Phoenix area at year-end 2016 shows rising rents and sales prices and a slight decrease in vacancy from the previous year. Although the market indicators have shown positive growth, the progress has been slower than past recovery periods other market sectors. Overall vacancy decreased in 2016 to 16.7%, the lowest it has been in nine years. The fourth quarter inventory for 2016 totaled 136,536,640 SF for metro Phoenix. The following table shows the past office performance based on the source at the bottom of the table.

Year	Office Under Construction/SF	Year-End Vacancy	Year-End SF Net Absorption
2007	7,271,252	14.3%	2,881,161
2008	3,600,752	19.1%	(-678,762)
2009	1,512,983	21.9%	(-1,840,951)
2010	649,272	22.7%	(-38,349)
2011	350,682	22.3%	614,011
2012	218,079	20.7%	2,236,810
2013	0	19.3%	1,634,175
2014	2,976,395	17.8%	2,914,199
2015	2,673,729	16.7%	3,553,757
2016	2,366,823	15.2%	3,522,579

Source: Colliers International

Due to a steady improvement in vacancy, asking rents have increased during the last four consecutive quarters and the rents are expected to continue to rise throughout the remainder of the year 2017. As improvements in the national economy increase, optimism in this market is also expected to be positive as the trend shows in the following graph.



Utilities

Although water supply is constrained in an arid desert climate such as Phoenix, there is generally adequate water for the overall region. The completion of the Central Arizona Project (CAP) years ago has allowed the Phoenix area to receive water transported from the Colorado River to supplement local surface and groundwater supplies. However, increasing limitations on groundwater pumping have been mandated by the Arizona Groundwater Management Code, requiring a gradual total cutback in the 500,000 acre-feet of groundwater which is overdrafted annually. These regulations have an impact on development patterns in the metropolitan area, but are not generally expected to constrain overall growth in the economy and population.

The Palo Verde Nuclear Power Project provides adequate electrical power to serve anticipated population and employment growth. Utility services are adequate and are typically provided by the following:

Electricity:	Salt River Project (SRP), Arizona Public Service (APS)
Natural Gas:	Southwest Gas Company
Telephone:	Century Link
Water:	Salt River Project/Municipal
Sewer:	Municipal

Most of central Phoenix is served by APS which has higher utility rates than Salt River Project. Contributing to the higher rate charges by APS is their involvement in the Palo Verde Nuclear Power Plant. Availability of water, sewer and gas has historically been adequate in the metro area, although natural gas is not available in all parts of all incorporated cities in this region. Further, outlying areas often do not have access to municipal water and sewer, and must rely on drilled wells and septic tanks. Utility costs have been average for the metro area, particularly when compared with other similar metro areas in the West. At this time, there are no factors which would appear to suggest any changes in the adequacy of utility services in the metro area. Future development potential is therefore not hampered by current or foreseeable utility shortages in the metro area. Although deregulation of the electrical utilities has occurred, it has not yet had any impact on the local industry.

Transportation

The Maricopa County/Metropolitan Phoenix Area has major airport and freeway infrastructure developments underway which will substantially improve accessibility within the region.

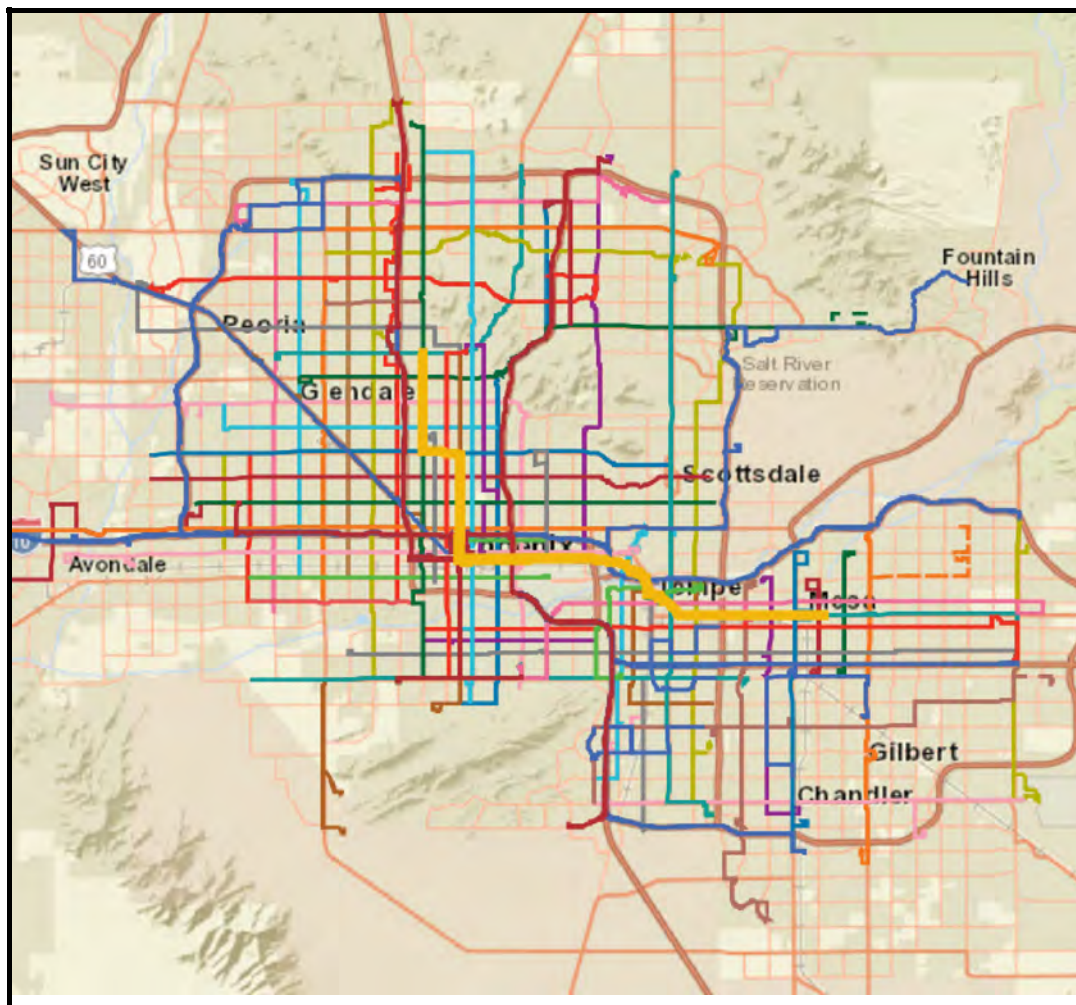
According to the public information office at Sky Harbor International Airport, the airport is the 9th largest airport (domestic traffic) in the country in terms of number of total passengers, ranked according to the service of approximately 45 million passengers in 2016. This feat ranked Sky Harbor one of the top ten busiest airports in the world, with a daily economic impact of 79 million dollars. Each day Sky Harbor accommodates approximately 1,266 aircraft as they come and go, transporting some 120,000 passengers in a single 24 hour period. The airport has three terminals and four runways. Opened in April of 2013, the new Phoenix Sky Train improved and eased transportation to and within the airport. The elevated train efficiently transports passengers between the METRO light rail, east parking lot and Terminal 4, which serves the majority of Sky Harbor passengers. The Sky Train runs 24 hours and is free to the public.

Metropolitan Phoenix currently has one large Air Force base: Luke Air Force Base located on the West side of the county. Williams Air Force Base, located on the east side of the county has been closed. It is now considered a "reliever airport" for Sky Harbor International Airport and offers three of the longest run-ways in the regional aviation system. The former military air base was closed in 1995 and was changed into Phoenix-Mesa Gateway Airport, which now provides several

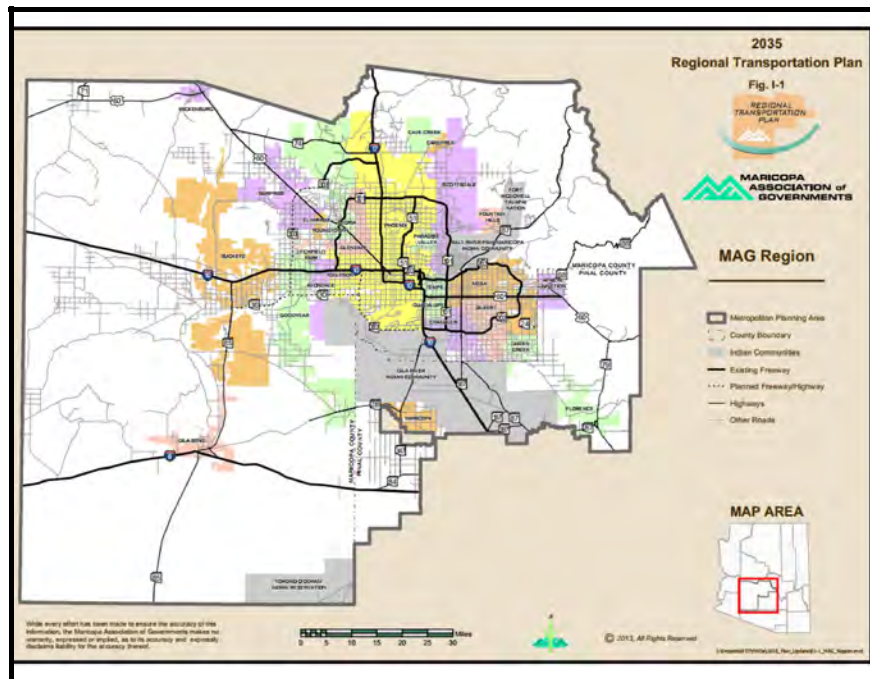
commercial flights daily. Other tenants surrounding the airport include Arizona State University - Polytechnic Campus, Williams Gateway Airport Authority, Chandler/Gilbert Community College, as well as over 40 business, many of which support or utilize the airport directly.

The Phoenix metropolitan area is served by Interstate 17 (I-17), which runs in a north/south direction and Interstate 10 (I-10), which merges with I-17 near Sky Harbor International Airport. I-17 provides access to Prescott and Flagstaff to the north. I-10 provides access to Los Angeles to the West and Texas, New Mexico and other Southeastern and Atlantic Seaboard states to the east.

The MAG Freeway and Expressway Plan includes more than 230 miles of freeways in the Phoenix area, many miles of which have been completed over the past 15 years. Freeway construction continues at this time in an effort to complete the much needed freeways. Funding for much of these new freeways continues to be tied to a sales tax increase from more than a decade ago. In 1985, Maricopa County voters approved increased sales taxes for additional funding of an organization once known as the Regional Public Transportation Authority, now known as Valley Metro. Additional funding over the years allowed for the planning and construction of a light rail train system referred to as the light rail but is named “METRO.” First accepting passengers in 2008, the light rail now spans from western Phoenix to Sky Harbor International Airport in Phoenix all the way through Tempe, past downtown Mesa, and is currently under expansion in east Mesa.



“METRO” LIGHT RAIL LINES - METROPOLITAN PHOENIX AREA



The previous

graphic shows the Maricopa Association of Governments freeway plan for metropolitan Phoenix. Currently, parts of the outer-loop 303 (northwestern side) is under construction and will soon be completed, which includes a new interchange with I-10 to the south. The lower proposed 202 freeway is under construction after its location was finalized just north of a local Indian community for this much-needed freeway extension. This 202 freeway would help divert large transportation traffic from California, coming in on the I-10 freeway and it would take them around South Mountain and away from commuter/local traffic, before reconnecting back onto I-10 south/east bound, which would be a huge safety and time benefit for both the trucking industry and for local residents.

Weather

Weather patterns in the metro area are quite typical of arid Southwestern climates. Typical temperatures range from an average low of 38°F in January to an average high of 104°F in July. Average annual precipitation is about 6.7". Favorable weather conditions permit efficiency in construction and development. It also reduces numerous costs associated with bad wintery weather and attracts tourists year-round. Further, the winter months attract numerous "winter visitors" from colder areas of the country that live in the metro-Phoenix area about six months a year when weather is much worse in their home towns, primarily in Chicago, Canada, etc.

Financial

Decades of mergers over time have reshaped the financial market in the metro Phoenix area. The once local small-town and Arizona-based banks and finance companies have been absorbed by larger national banks. Along with the advent of the ATM (automatic teller machine) came the scaled-down branches now commonly found in local grocery stores. Some of the recent mergers have brought about some expected consolidations, closures, and streamlining; actions common to this group now fairly mature to the deregulation processes.

The largest commercial banks are listed below:

LARGEST COMMERCIAL BANKS IN THE PHOENIX METRO AREA

Bank	
1.	Wells Fargo
2.	JP Morgan Chase & Co
3.	Bank of America
4.	BMO Harris Bank
5.	BBVA Compass Bank
6.	National Bank of Arizona
7.	US Bank NA
8.	Alliance Bank of Arizona
9.	MidFirst Bank
10.	Amtrust

Source: The Business Journal

Education

Metropolitan Phoenix offers an educational system from elementary through doctoral degree programs. There are numerous schools of higher learning in the Phoenix area, including Arizona State University which has a total enrollment of over 75,000 students as of 2017.

Arizona State University is the 4th largest public university in the United States. They currently offer over 300 academic bachelor's degree programs, 74 master's degree programs and 42 doctoral degree programs. ASU has developed a 300 acre site in West Phoenix. ASU West was completed in 1991 and is devoted to providing classes to students residing on the West side of Maricopa County. ASU West has an annual enrollment of 9,000 students. ASU Polytechnic Campus is located at the Gateway Airport facility. The current enrollment was over 9,700 in 2017. A new campus is located in downtown Phoenix.

The Arizona State University Research Park has made the university a leader in the areas research and development efforts. The mission of the research park is to attract new research and development firms to the Phoenix area who will conduct joint research with ASU departments, interact with graduate students and consult with university faculty. The research park is part of ASU's effort to become a major research university by attracting high quality private and public research firms to Arizona.

In the Phoenix metropolitan area there are several community colleges. Many of these take an active role in the continuing education of the Valley's work force by offering on-site classes at many of the larger businesses. Stated above were the favorable qualities of Arizona's school system; however, Arizona's schools are suffering, due to a lack of funds. According to the Arizona Business, Arizona spends less per pupil than the national average, has mediocre test scores, suffers from a high drop-out rate and has fewer university campuses than any other state of its size. According to recent

surveys, some schools in the Phoenix metropolitan area have drop-out rates nearing 50%. The state is working on these problems since they recognize the importance of strong educational programs and the future of the state.

Summary

The Phoenix Metropolitan Area has been one of the fastest growing regions in terms of population and employment growth. The growth has been attributed to a variety of factors including favorable cost of living, reasonable housing costs, healthy lifestyle and good weather.

The recession of 2008-2014, which includes metro-Phoenix, was primarily caused by the housing bubble of rapidly escalating prices during the 2005 and 2006 period as well as the easy accessibility of sub-prime mortgages. As a result, foreclosures in metro Phoenix were recently near the highest in the nation. Commercial construction was close behind residential in over-building in the market. Consequently, many sectors of the market have continually suffered from the results of the residential foreclosures and recession, which includes unemployment rates topping 10.0% nationally when all factors of unemployment are considered. Despite the length of the down market, the current economic conditions are beginning to improve the market as national optimism in the changing economy increases.

Thus far within 2017, the long term outlook for Metropolitan Phoenix is positive. Long term prospects for growth remain positive. Some signs of residential demand is beginning to emerge in the local market, primarily on the outskirts of the metro area. The climate, weather, potential job opportunities and other available amenities will continue to attract people to the area which should help sustain general property values and continued favorable economic growth in the Phoenix metro area in the long term.

NEIGHBORHOOD DESCRIPTION

The neighborhood is a portion of a larger community, or an entire community, in which there is a homogeneous grouping of inhabitants, buildings, or business enterprises. Inhabitants of a neighborhood usually have a more than casual community of interest and a similarity of economic level or cultural background. Neighborhood boundaries may consist of well defined natural or man-made barriers or they may be more or less well defined by a distinct change in land use or in the character of the inhabitants.¹²

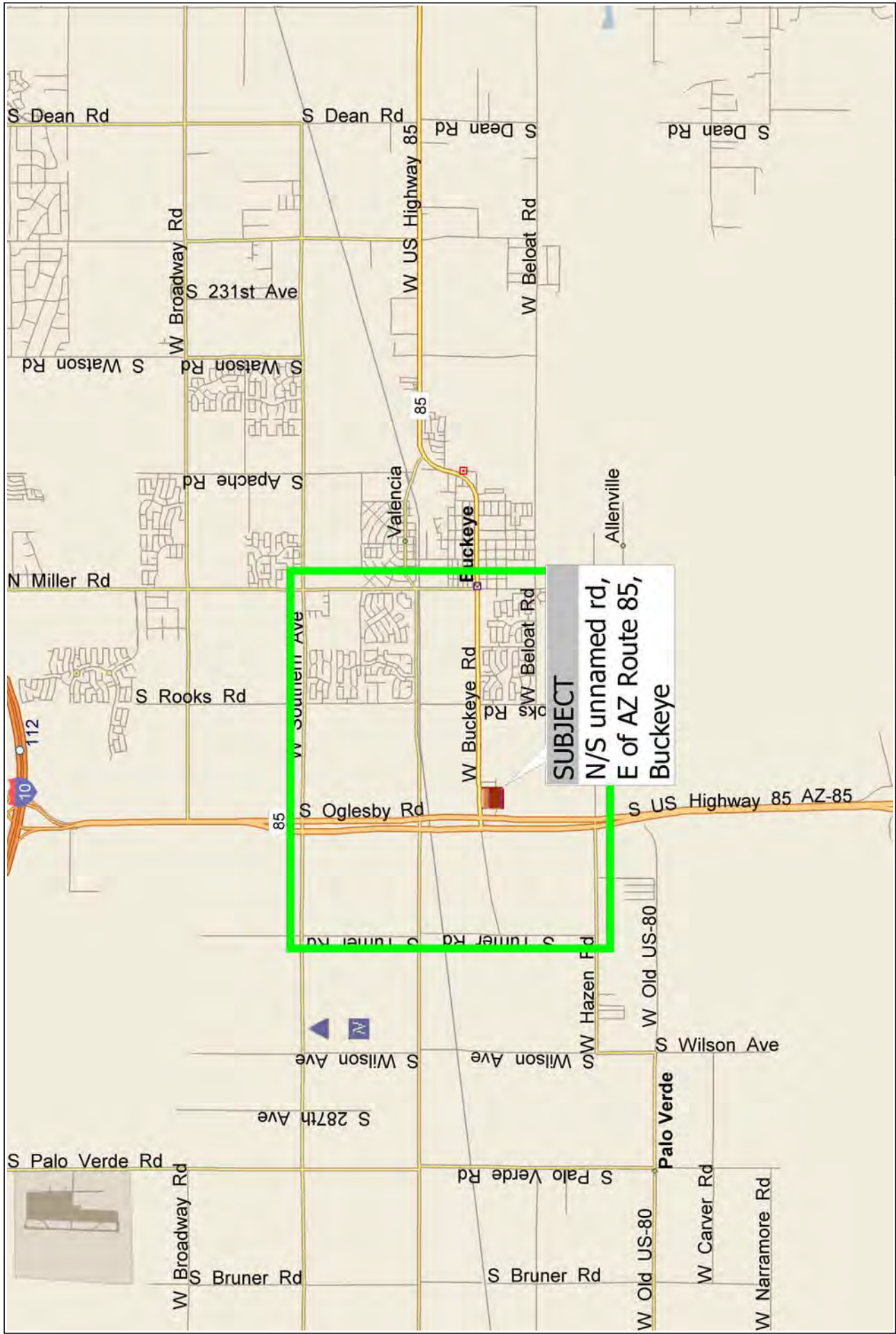
The subject is located just east of Arizona State Route 85, in the southern area of the City of Buckeye, Maricopa County, Arizona. The subject property is located in a neighborhood that can be described as being within the following boundaries: Southern Avenue to the north, Miller Road to the east, Hazen Road to the south and Turner Road to the west. The subject neighborhood comprises approximately eight square miles and encompasses the area immediately west of downtown Buckeye as well as the Arizona State Route 85 (highway) between I-10 to the north and Gila Bend to the south. The neighborhood boundaries are typically paved arterials in the neighborhood. The neighborhood is under the jurisdiction of the City of Buckeye as well as portions of unincorporated areas of Maricopa County. Most streets in the neighborhood are paved roads, most of which lack offsite improvements such as sidewalks, curbs, gutters, street lights, etc. However, unimproved dirt or gravel roads still exist in the areas off of the main highway, such as the subject property.

Access to the subject neighborhood is good via State Route 85 in a northerly or southerly direction. In fact, State Route 85, a north/south freeway, provides linked access to the metro Phoenix area located about 35 miles northeast of the neighborhood; this is primarily a four lane highway which connects Interstate 10 to the north to Interstate 8 to the south near Gila Bend, as previously noted.

Much of the subject neighborhood remains as unimproved desert and agricultural areas, primarily due to the fact that the State of Arizona (State Trust Land) owns much of the area. In addition, this is an outlying area of Maricopa County and development has not yet reached this area, although some portions of the neighborhood are already developed dated more than 50 years. In fact, many of the users in the subject's immediate area are occupying buildings that date more than 50 years in age. Property uses which immediately surround the subject are consistent with the neighborhood. These surrounding uses are shown on the second following page, after the Neighborhood Map page.

¹²*The Dictionary of Real Estate Appraisal* (5th Ed.), The Appraisal Institute, Online.

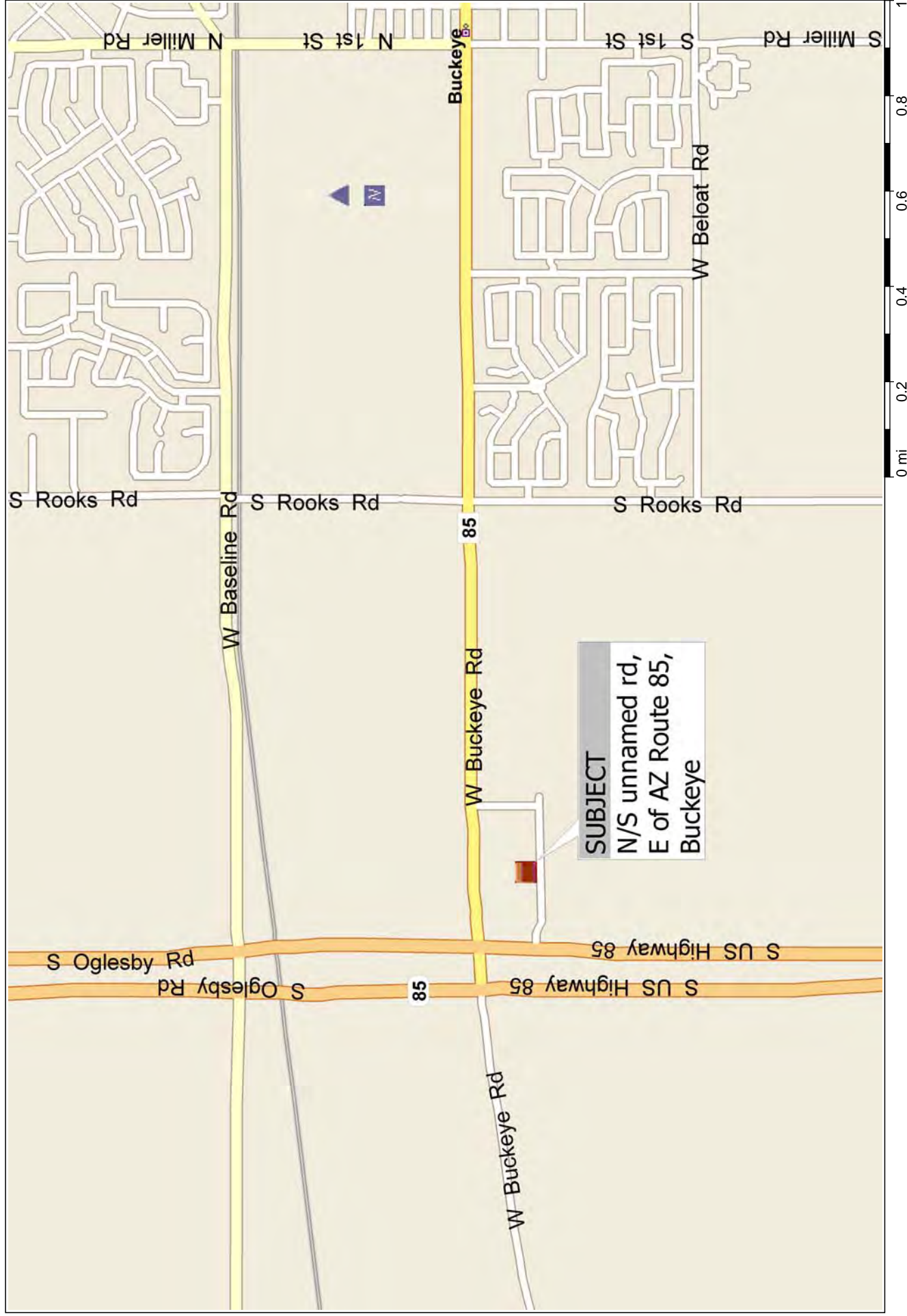
NEIGHBORHOOD MAP



North:	Vacant land covered with weeds, then MC85 roadway and then a Shell gas station
East:	A Maricopa County service facility
South:	Vacant land covered with dated (depreciated) canopies now used as small airplane hangers, then agricultural land
West:	An industrial property (trucking company), then vacant land, then State Route 85

In most areas of the neighborhood, electricity, phone, water and sewer are readily available in terms of public services, although the subject lacks access to sewer. Based on my inspection of the neighborhood, I would estimate the built-up area to currently be about 20%. Access to the subject neighborhood is good via State Route 85. In my judgment, property value trends of most property types in many parts of the neighborhood continue to appreciate albeit slowly and this trend should continue at least for the short term.

SUBJECT LOCATION MAP



SUBJECT
 N/S unnamed rd,
 E of AZ Route 85,
 Buckeye

SUBJECT SITE DESCRIPTION

Identification:	The subject is identified as a vacant parcel of land
Location:	The subject is located just south of the southern side of Maricopa County Route 85, the third lot east of Arizona State Route 85, with frontage on the northern side of an unnamed gravel-covered access road, within the City of Buckeye, Maricopa County, Arizona.
Assessor Parcel Number:	Western Portion of 401-87-001L
Site Area:	<p>±5.00 Acres (±217,800 SF) - per Legal Description (see Addenda)</p> <p>These figures are based on the Maricopa County Assessor's maps.</p>
Real Estate Taxes:	Exempt since owned by municipality
Shape, Frontage and Parcel Dimensions:	The subject has a slightly irregular shape (see Subject Assessor's Map at the end of this section). It has ±381.50' of frontage on its northern frontage of the unnamed gravel access road, with 640.97' of depth along its eastern border and 478.71' of depth along its western border. Its northern border is a curved boundary that curves downward from the east to the west (no length is shown on the survey).
Surrounding Uses:	
North:	Vacant land (plus a dirt ditch), then Maricopa County Route 85, and then a Shell Gas Station.
East:	An industrial property (Maricopa County Service Facility)
South:	The Pierce Airport (one small landing strip) and Western Pilot Services (Private flying lessons company)
West:	Industrial property (Value Truck)
Offsite Improvements:	The subject's frontage road is unnamed and a graded gravel road, which also lacks curbs, gutters, sidewalks and street lights.
Access:	The subject site is legally accessible via its unnamed access road along its southern boundary, in an easterly or westerly direction. Its access is considered to be fair to average.

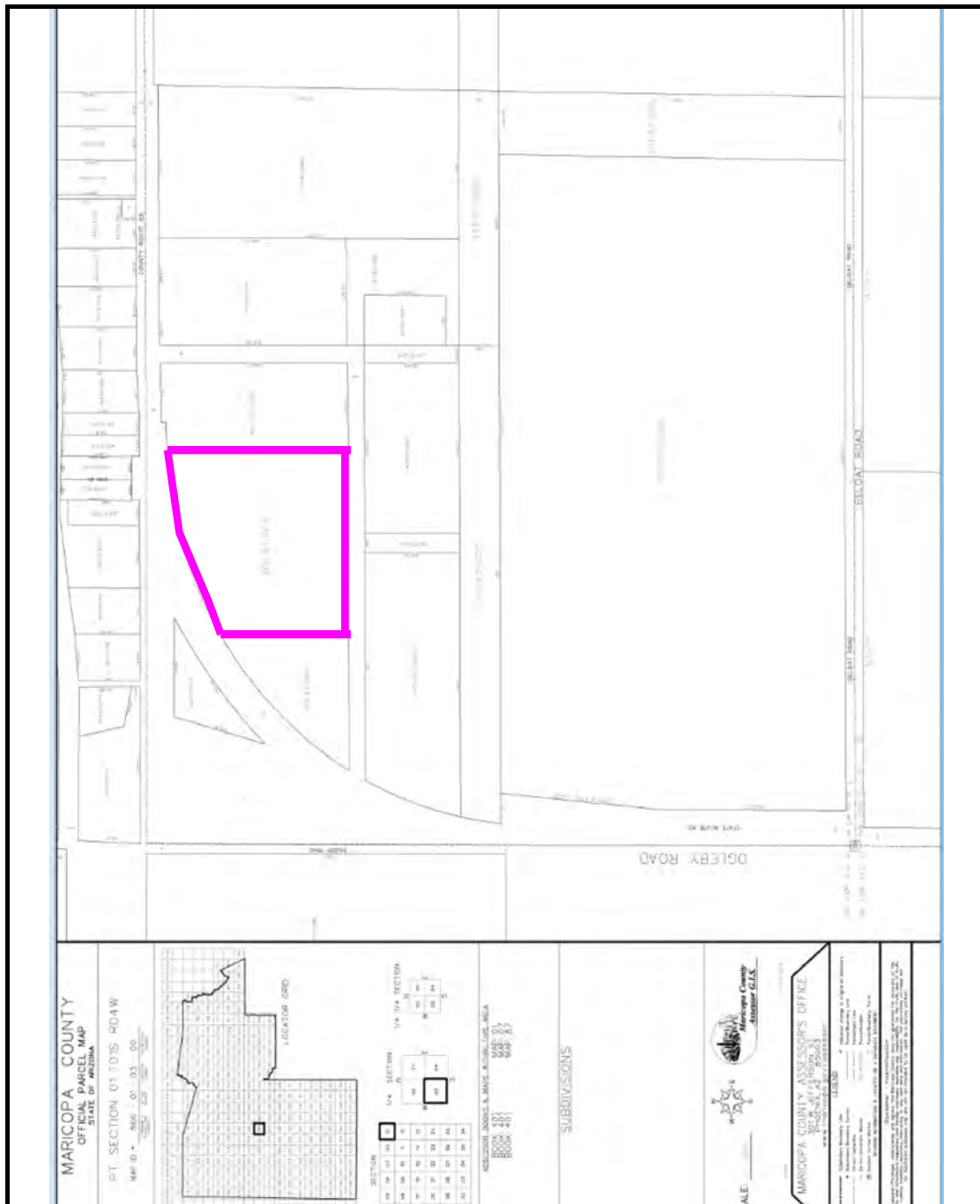
Topography:	The subject site's topography is described as relatively level and at grade with surrounding parcels and its access road.
Utilities:	The subject has direct access to electricity (Arizona Public Service), telephone (Century Link), and municipal water. According to the City of Buckeye, the subject does not have access to sewer services so properties in the immediate area have to use septic systems.
Zoning:	The subject is currently zoned C-3, Regional Commercial, by the City of Buckeye, as verified with the City of Buckeye planning department (Robert Busick). This district is designed for retail properties that need high exposure and good access to their properties, both of which this property lacks. Permitted uses include retail, office and industrial uses, some requiring a condition use permit. However, it is the most inclusive zoning district in the City. The General Plan (per the City of Buckeye) shows the subject as a business park/light industrial use, similar to surrounding users, which would be allowed by its current zoning district. Please refer to the General Plan map in the following section.
Flood Zone Designation:	All of the subject property is located within a Zone "X" flood plain per Flood Map Panel #04013C-2580L, effective October 16, 2013, and therefore, is not within a 100-year flood plain area (depths up to 1').
Environmental Issues:	At the time of inspection I saw no signs of environmental concerns. However, the appraiser is not qualified to make professional conclusions concerning this criterion. A Phase I environmental study was not supplied by the client. Therefore, a Phase I environmental study by qualified experts is recommended, especially since it is located in an industrial area with nearby dirt ditch drainage. In addition, the estimates of value assume the subject is free and clear of any environmental problems.
Title Report:	A title report of the subject was provided to the appraiser, dated February 23, 2017. This appraisal assumes that there are no easement, encroachments or other restrictions currently in place which adversely affect the value of the subject. Upon my inspection I noted no nuisances, hazards or hazardous substances. The title report did not have any unique easement. All easements referred to roadways, ingress/egress and utilities.

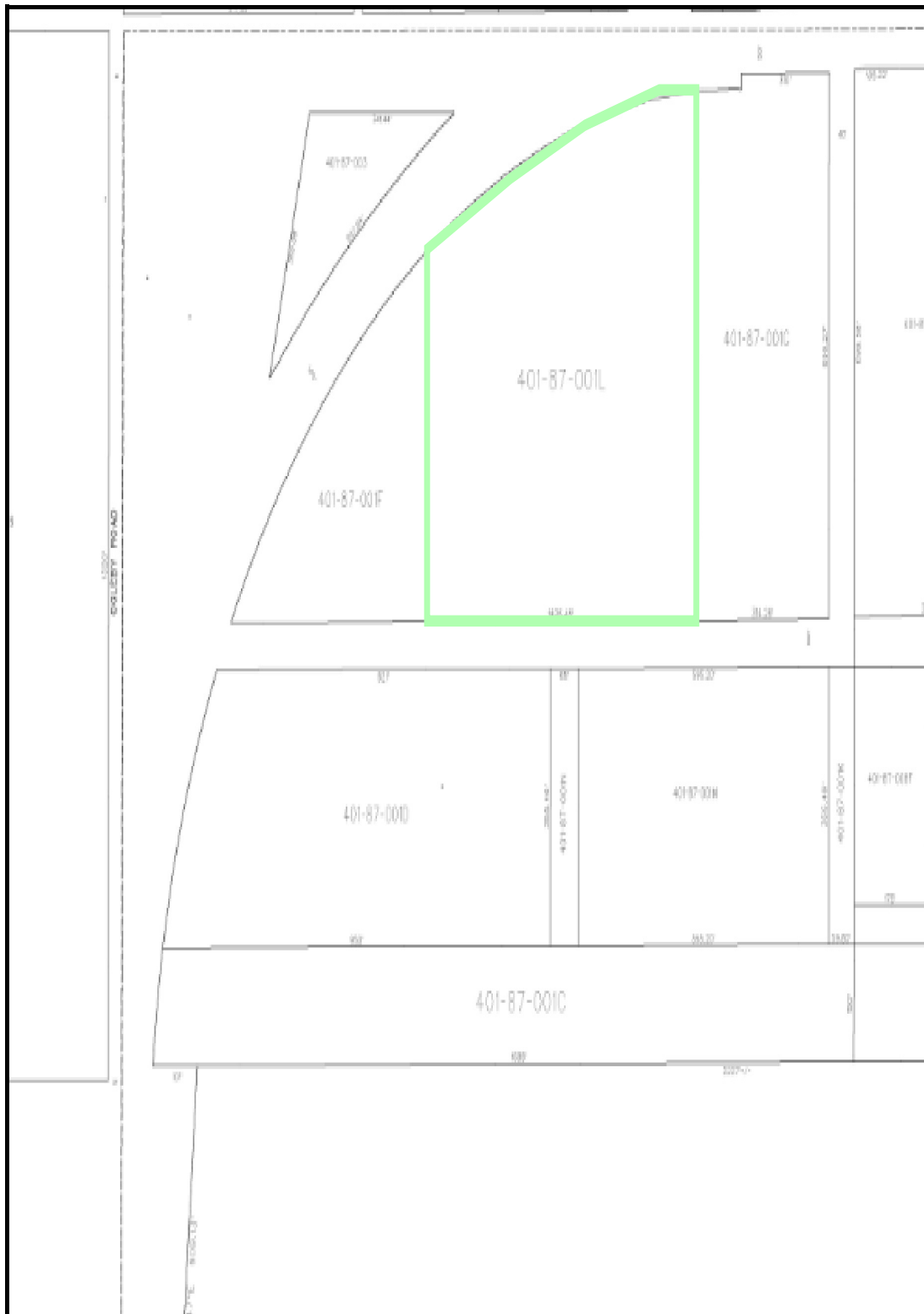
Site Improvements:

No site improvements were noted at the time of inspection, other than some dilapidated asphalt paving on the northern portion that was barely recognizable.

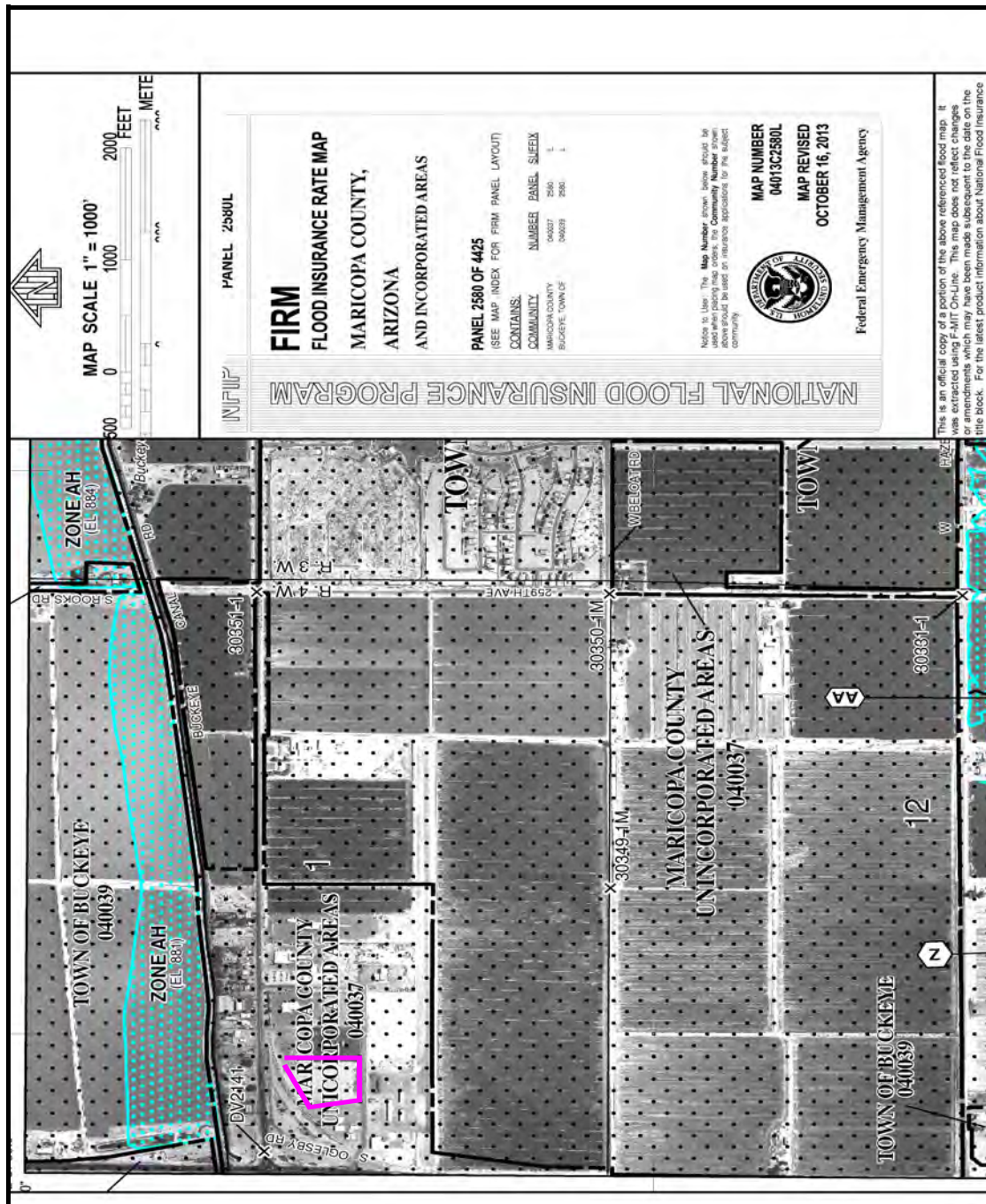


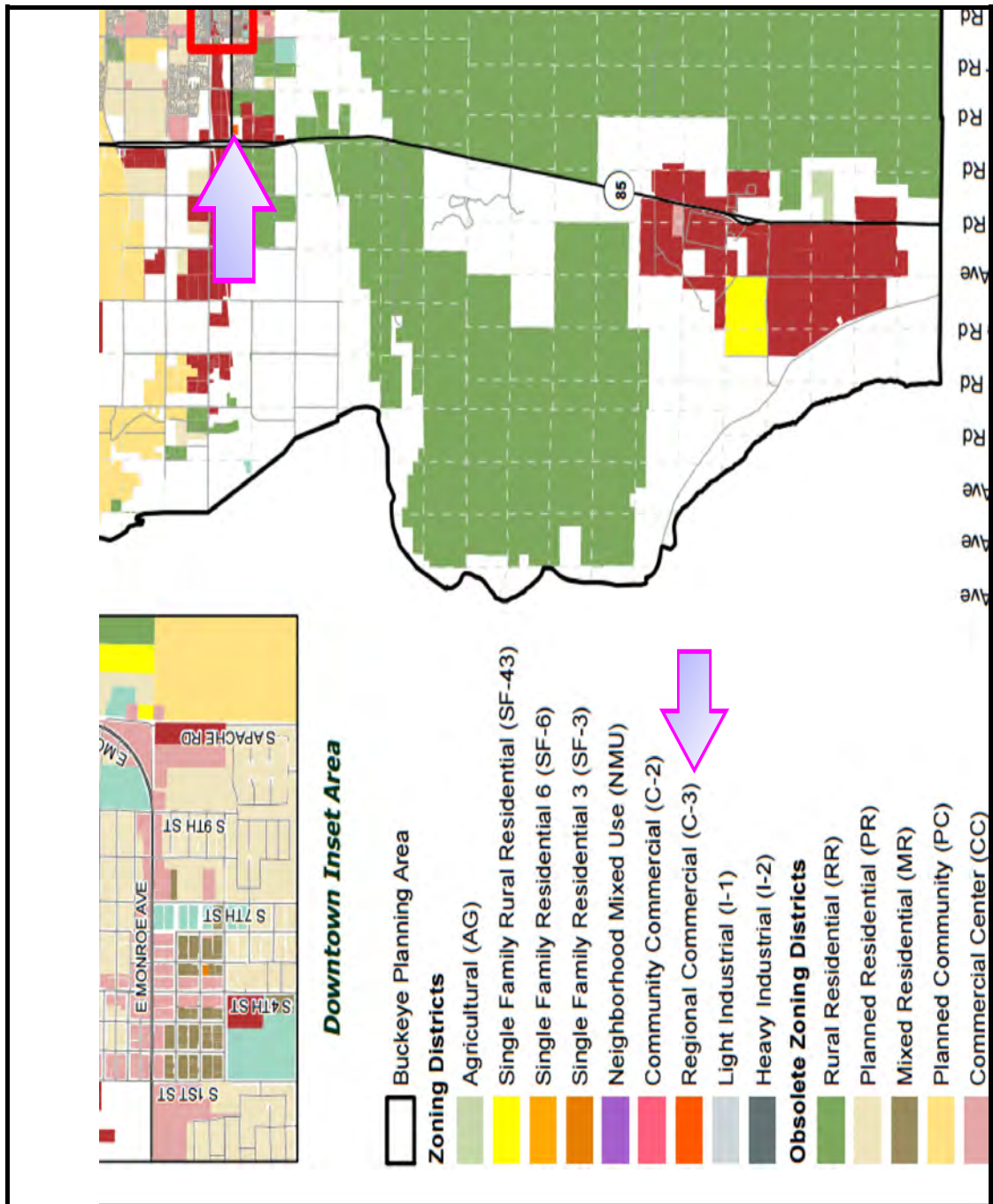
BIRD'S EYE VIEW OF SUBJECT LOOKING EAST (TOP)





SUBJECT SITE MAP





ZONING MAP - SUBJECT IS ZONED C-3 (CITY OF BUCKEYE)



CLOSE VIEW AERIAL - SUBJECT SHOWN IN PINK

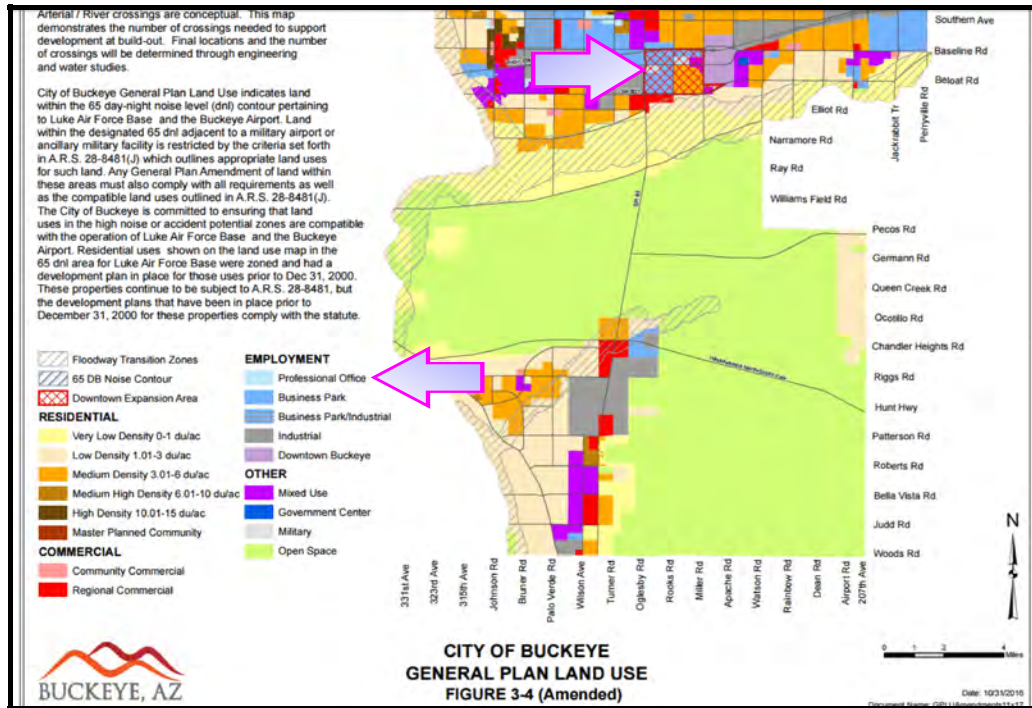
HIGHEST AND BEST USE ANALYSIS

The determination of highest and best use results from the appraiser's judgment and analytical skills. The eventual use determined from analysis represents an opinion, or conclusion, rather than an absolute fact. To determine the highest and best use, four criteria must be considered sequentially. For a use to be the highest and best use, it must be:

- 1) Legally permissible
- 2) Physically possible
- 3) Financially feasible
- 4) Maximally productive

Legally Permissible

The subject is currently zoned C-3, Regional Commercial, by City of Buckeye. This district allows most retail, office and some industrial uses and is the most inclusive zoning district available to this area. It is primarily for properties with direct frontage on a major corridor with good traffic access, both characteristics of which the subject lacks. The General Plan by the City of Buckeye (see next page) shows its use as a Business Park/light industrial use, which is more compatible to its neighbors' uses. The primary use in the immediate area is for light industrial users. Surrounding properties are utilized by a trucking company, an airplane instruction company and a County services facility. There are no commercial retail users on its access road. The major corridors where a commercial/retail user may be more compatible is located about 150' north of the subject property along Maricopa County Route 85, although there is only one commercial user on this road presently in the immediate vicinity, which is a gas station/convenience store, and is located just before the intersection with the Arizona State Route 85 which crosses MC Route 85 perpendicularly. Still, even this portion of the roadway (MC85) is not that heavily trafficked, averaging only 3,458 vehicles per day (both directions combined). Depending upon the final use of the parcel, there may be development stipulations as to open areas, flood plains, required set backs, etc., which may limit some development. Accordingly, it is my opinion that uses which are legally possible, which are generally in conformance with similar uses in the neighborhood, would tend to support the highest and best use of the land, provided that such uses are physically possible and financially feasible for the subject.



Physically Possible

As vacant and available for its highest and best use, the subject consists of a parcel of land, totaling 5.00 acres. Further, the subject has average frontage along an unnamed gravel road which provides its only access. The closest major corridors are located at least 150' from the site. It has a level topography although some drainage issues may exist just north of the site where a dirt ditch is located. The subject has a slightly irregular rectangular shape. It is of adequate size and shape to not inhibit its development. Additionally, it is of adequate size for a light industrial use. Neither a soil report nor a Phase I environmental report were provided to the appraiser. The appraisal report assumes the subject is not adversely affected by any environmental or subsoil problems. Based on my inspection, which included a visual observation of the parcel, there does not appear to be any other soil or site development problems.

The largest transportation links in the neighborhood are Arizona State Route 85, which runs north to south, about 670' west of the subject property. The second largest transportation link in the area is the Maricopa County Route 85, located about 150' north of the subject property, which runs east to west and connects to US Highway 85 to the west. This is a two lane asphalt paved road with an average daily traffic count of 3,458 vehicles per day, which is typically not high enough to warrant a retail development in Maricopa County. All of the subject site is not located in a cautionary flood plain. The subject has access to electricity, water and phone. I spoke to the City of Buckeye's Project Engineer, Mr. Craig Sharp, about the potential for the subject to get sewer connected to the site. He indicated that the adjacent Maricopa County services facility, with frontage access directly from MC85, has sewer connected to it, but connecting the subject to this sewer line would be complicated. He said the sewer line at the manhole cover nearest to the subject is only 5.7' deep, making a connection to it difficult for the subject. In addition, there is a water line in the way and

the dirt ditch located between the subject and MC85, of which both must be worked around to avoid any conflicts with these water corridors. He said that first, the subject's owner would have to run 280' of sewer line along MC85, then work around crossing the waterline without disturbing it as well as the dirt ditch. Therefore, he was unsure whether or not to tell me if connecting the subject to this sewer system would be conceivable or not. He added that anything can be accomplished for a price, but it appeared by our discussion that adding a sewer line to the subject property may prove to be costly. This is likely the reason why most of the properties surrounding the subject have gone with a septic system for their small businesses. In addition, this further supports the highest and best use of the subject as a single user industrial use. Based on its physical characteristics, it has a good size and can accommodate a variety of light industrial uses, assuming that these uses are financially feasible.

Financially Feasible (Market Analysis)

Potential uses for the subject would be light industrial in nature, based on the General Plan by the City of Buckeye, as well as surrounding users and its lack of retail physical attributes. Year-end 2016 year-end statistics showed primarily improvements in the metro industrial market, based on a Collier's Industrial Report. Vacancy decreased during the fourth quarter of 2016 after inching up the first three quarters of the year. In addition, net absorption of available space increased as well, although rental rates dropped slightly. Further, new inventory coming into the market also decreased, which will help with the market's viability in the long run.

The subject property would be classified as being within the Southwestern Submarket of metro Phoenix. This submarket has a current vacancy rate of 10.5% in a submarket with more than 92 million square feet of total industrial space; it saw about 25% of its vacant space absorbed in the past year, which is good. In addition, it had about 1.5 million square feet of new supply added to the market in 2016 although less than 1 million square feet is under construction presently. However, much of this space is for rental properties, wherein the industrial users surrounding the subject are single user properties. Although some rental single user properties exist, most are owner/user properties.

Although there were only a limited amount of land sales in the subject's area, quite surprisingly, about half of them were near the subject property. Currently, only limited demand for this property size for an industrial user exists in the market, but demand is there. With signs of an improving economy and increases in manufacturing nation-wide, an industrial use would fit into this sector of the market as opposed to a commercial/retail use, which is its zoning district's primary target. Further, unemployment rates are dropping and several large companies are relocating in the metro Phoenix area, showing the draw of this county for new businesses. Based on these factors, the subject's highest and best use, as vacant, would be for a single user industrial property use, in my professional judgment.

Please note that the conclusions for highest and best use do not represent absolute facts. Rather, the conclusions are the most reasonable and probable conclusions based on my market research, inspection of the subject, and data made available to the appraiser as of the date of valuation.

VALUATION PROCESS

Typically, the market value of real estate can be estimated by applying three approaches: Cost, Sales Comparison and Income. Since the subject is being valued “as vacant”, only the Sales Comparison Approach is applicable for the valuation of the subject. Thus, the Cost Approach and Income Approach are not utilized in the valuation since they are only used for improved or proposed improvement properties. Consequently, a land valuation via the Sales Comparison Approach is the best method for valuing the subject property.

LAND VALUATION - SALES COMPARISON APPROACH

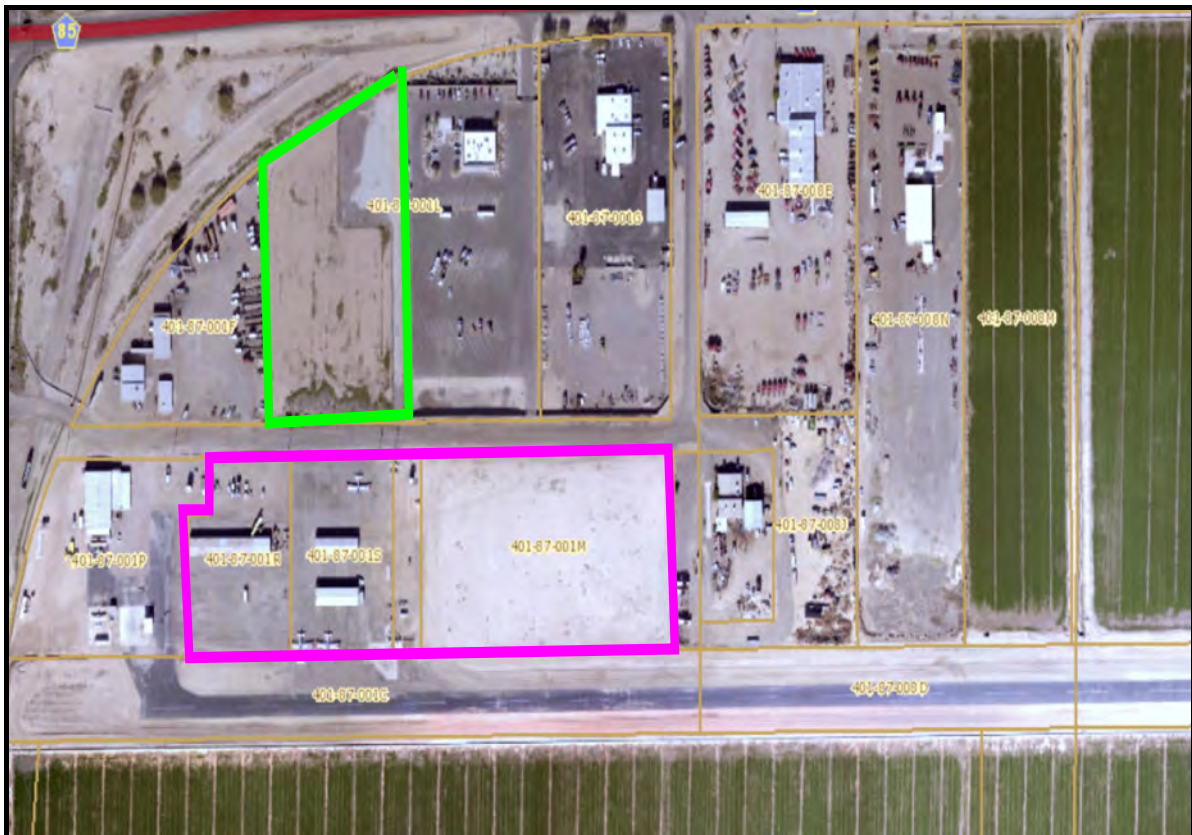
The subject site will be valued using the Sales Comparison Approach. This approach to value is primarily based on the principle of substitution which states, “The appraisal principle that states when several similar or commensurate commodities, goods, or services are available, the one with the lowest price will attract the greatest demand and widest distribution.”¹³

To apply this approach to value, the market was searched for land sales considered to be the most similar in terms of location, size, highest and best use, zoning, etc, as compared to the subject. Each sale was inspected, researched and verified. The sales were analyzed and adjusted for differences between the subject and each comparable.

In order to estimate the subject’s land value by the Sales Comparison Approach, I have researched comparable land sales in the immediate and surrounding areas. Due to the lack of sales in this immediate area, my search area for comparable sales had to be expanded somewhat, but were all confined to the Buckeye area. Further, with the effect of the current market, few comparable land sales were available in the market. Still, adequate comparable sales data is available to make a reasonable analysis. My thorough search netted only six potentially comparable sales in the subject’s area. All six of these comparables were inspected by the appraiser. Two of these sales are located in the downtown area of Goodyear and were not considered to be comparable to the subject property which is not near a concentration of developments and is located in the adjacent yet less-developed city of Buckeye. Therefore, the remaining four of these sales were utilized in the analysis. Presented on the following pages are the four comparable sales as well as a map showing the location of the sales with respect to the subject property’s location.

³The Dictionary of Real Estate Appraisal, The Appraisal Institute (5th ed.) - Online.

LAND COMPARABLE NO. 1



**AERIAL MAP OF SALE 1 (OUTLINED IN PINK)
WITH SUBJECT (OUTLINED IN GREEN)**



Sale 1 Looking Northeasterly Across Site From Southwestern Corner.
Note That The Paved Roadway In The Photo Is Not A Vehicle Street But
Part Of The Development Which Is Its Only Landing Strip For Small Planes.

Property Identification Data

Location:	Southern side of an unnamed access road, the second lot east of Arizona State Route 85, Maricopa County, Arizona
Assessor's Tax Parcel Numbers:	401-87-001D (now 001R), 001M and 001N
Legal Description:	Parcel B Minor Land Division bk 1170 pg 31, Maricopa County, AZ

Sale Data

Conditions of Sale:	Arms-length
Sale Price:	\$348,000
Interest Conveyed:	Fee Simple
Financing Terms:	17% cash down, remainder carried by seller for less than 12 months at market rates, per selling broker.
Cash Equivalency Adjustment:	N/A

Cash Equivalent Price:	\$348,000
Unit Price:	\$0.86/SF
Date of Sale Recording:	November 4, 2014
Instrument Type:	Special Warranty Deed
Instrument Number:	14-0670981
Seller:	Acre Five, LLC
Buyer:	Oops Property, LLC
Confirmed With:	CoStar Comps, RealQuest, Maricopa County records, and Jeff Hays, selling broker (602/373-8800-mobile).
Confirmed By:	Jay Hulet
Sales Transaction History:	No other sales transactions within the past three years.

Site Data

Shape:	Basically rectangular
Size:	±9.24 Acres
Zoning:	C-3, General Commercial, and IND-2, Light Industrial, Maricopa County
Frontage:	±1,102' on the southern side of an unnamed access road
Traffic Counts:	
Unnamed Access Road:	Not calibrated
Legal Access:	Yes
Topography:	Relatively Level
Cautionary Flood Plain:	None
Utilities:	Electricity, phone and water available
Offsites In Place At Time Of Sale:	None (gravel frontage road)
Surrounding Uses:	

North:	Vacant land (Subject)
East:	Industrial
South:	One strip airplane runway, and then agricultural
West:	Industrial
Highest & Best Use:	Single user Industrial
General Plan:	Light industrial
Intended Use:	Industrial/flying lesson company
Exposure Time on Market:	6 months
Notes:	The property had some buildings on site at the time of sale, but they are steel canopies in poor condition that are over 50 years old and were considered to be fully depreciated; there is no contribution added to the sale price for these buildings.

N





Sale 2 Looking Southerly From Maricopa County Route 85.

Property Identification Data

Location:	Southern side of Maricopa County Route 85, the ninth lot east of Arizona State Route 85, Maricopa County, Arizona
Assessor's Tax Parcel Number:	Eastern half of 401-87-001M (now 401-87-008H)
Legal Description:	E2 of por of N2 of SW4 of Sec 1, T1S, R4W, G&SRBM, Maricopa County, AZ

Sale Data

Conditions of Sale:	Arms-length
Sale Price:	\$325,000
Interest Conveyed:	Fee Simple
Financing Terms:	All cash to seller.
Cash Equivalency Adjustment:	N/A
Cash Equivalent Price:	\$325,000

Unit Price:	\$1.15/SF
Date of Sale Recording:	January 26, 2016
Instrument Type:	Special Warranty Deed
Instrument Number:	16-0049883
Seller:	Lemieux Family LP
Buyer:	Scott & Sons Inv., LLC
Confirmed With:	CoStar Comps, RealQuest, Maricopa County records and Bobbie Mastracci, listing broker (623/535-9707).
Confirmed By:	Jay Hulet
Sales Transaction History:	No sales in the past three years.

Site Data

Shape:	Rectangular (but narrow and elongated)
Size:	±6.50 Acres
Zoning:	I-1, Light Industrial, City of Buckeye
Frontage:	±252 on the southern side of MC85
Traffic Counts:	3,458 vpd (MC85)
Legal Access:	Yes
Topography:	Relatively Level
Cautionary Flood Plain:	None
Utilities:	Electricity, phone, sewer and water available
Offsites In Place At Time Of Sale:	Paved street to site, plus a concrete irrigation ditch
Surrounding Uses:	
North:	Truck & Auto Repair (transformed SFR)
East:	Agricultural
South:	Agricultural
West:	M&S Equipment (Sales of tractors and similar equipment)

Highest & Best Use:

Industrial

General Plan:

Business Park/Light Industrial

Intended Use:

Build an industrial property

LAND COMPARABLE NO. 3



AERIAL PARCEL MAP OF SALE 3 (OUTLINED IN BLUE)



Sale 3 Looking Northwesterly Across Site From 247th Avenue.

Property Identification Data

Location:	The northwestern and southwestern corners of Magnolia Street and 247 th Avenue, Buckeye, Maricopa County, Arizona
Assessor's Tax Parcel Number:	504-63-533 (was 137C, 137D, 137F, 547 and 545)
Legal Description:	Lots 84-88, 108-111, Buckeye North bk 174 pg 5, G&SRBM, Maricopa County, AZ

Sale Data

Conditions of Sale:	Arms-length
Sale Price:	\$260,000
Interest Conveyed:	Fee Simple
Financing Terms:	All cash to seller
Cash Equivalency Adjustment:	N/A
Cash Equivalent Price:	\$260,000

Unit Price:	\$1.00/SF
Date of Sale Recording:	February 25, 2016
Instrument Type:	Warranty Deed
Instrument Number:	16-0118909
Seller:	Buckeye Express Food, LLC
Buyer:	Painted Desert Charter Holdings, LLC
Confirmed With:	CoStar Comps, RealQuest, Maricopa County records and Lori Soland, selling broker (623/399-7682).
Confirmed By:	Jay Hulet
Sales Transaction History:	No sales in the past three years.

Site Data

Shape:	Irregular
Size:	±5.99 Acres
Zoning:	RM, Regional Mixed Use, City of Buckeye (at Sale)
Frontage:	±590' on the western side of 247 th Avenue
Traffic Counts:	Not calibrated
Legal Access:	Yes
Topography:	Relatively level
Cautionary Flood Plain:	None
Utilities:	Electricity, phone, sewer and water available
Offsites In Place At Time Of Sale:	Paved street only

Surrounding Uses:

North:

Single family residential and vacant commercial land

East:

Vacant desert land

South:

Vacant desert land, then a church

West:

Single family residential

Highest & Best Use:

Office or commercial

General Plan Map Use:

Community Commercial

Intended Use:

Build a school (the Painted Desert Charter Montessori Academy-now in place on the site)

Exposure Time on Market:

7.5 months

LAND COMPARABLE NO. 4



AERIAL PARCEL MAP OF SALE 4 (OUTLINED IN RED)



Sale 4 Looking Easterly Across Watson Road, North Of The I-10 Freeway.

Property Identification Data

Location:	Eastern side of Watson Road, ±1,928' north of the I-10 Freeway, Buckeye, Maricopa County, Arizona
Assessor's Tax Parcel Number:	504-19-232
Legal Description:	Por Par SW4 Sec 3 T1N R3W, G&SRBM, Maricopa County, AZ

Sale Data

Conditions of Sale:	Arms-length
Sale Price:	\$325,000
Interest Conveyed:	Fee Simple
Financing Terms:	All cash to seller
Cash Equivalency Adjustment:	N/A
Cash Equivalent Price:	\$325,000
Unit Price:	\$1.49/SF

Date of Sale Recording:	June 2, 2016
Instrument Type:	Special Warranty Deed
Instrument Number:	16-0399713
Seller:	SJSA Investments, LLC
Buyer:	North I-10 Five LLC
Confirmed With:	CoStar Comps, RealQuest, Maricopa County records and Eric Rhinestone, buyer/broker (480/874-3234).
Confirmed By:	Jay Hulet
Sales Transaction History:	No sales in the past three years.

Site Data

Shape:	Rectangular
Size:	±5.00 Acres
Zoning:	Commercial PAD, Planned Area Development, per the Sundance Community Plan, City of Buckeye
Frontage:	±658' on the eastern side of Watson Road
Traffic Counts:	Not calibrated
Legal Access:	Yes
Topography:	Relatively Level, some rolling
Cautionary Flood Plain:	None
Utilities:	Electricity, phone, water and sewer available
Offsites In Place At Time Of Sale:	Paved street, curb, gutter, sidewalk and street lights.

Surrounding Uses:

North:

Vacant desert land

East:

Vacant desert land

South:

Vacant desert land

West:

Vacant desert land and a single family residential subdivision (completed)

Highest & Best Use:

Commercial use

General Plan:

Commercial

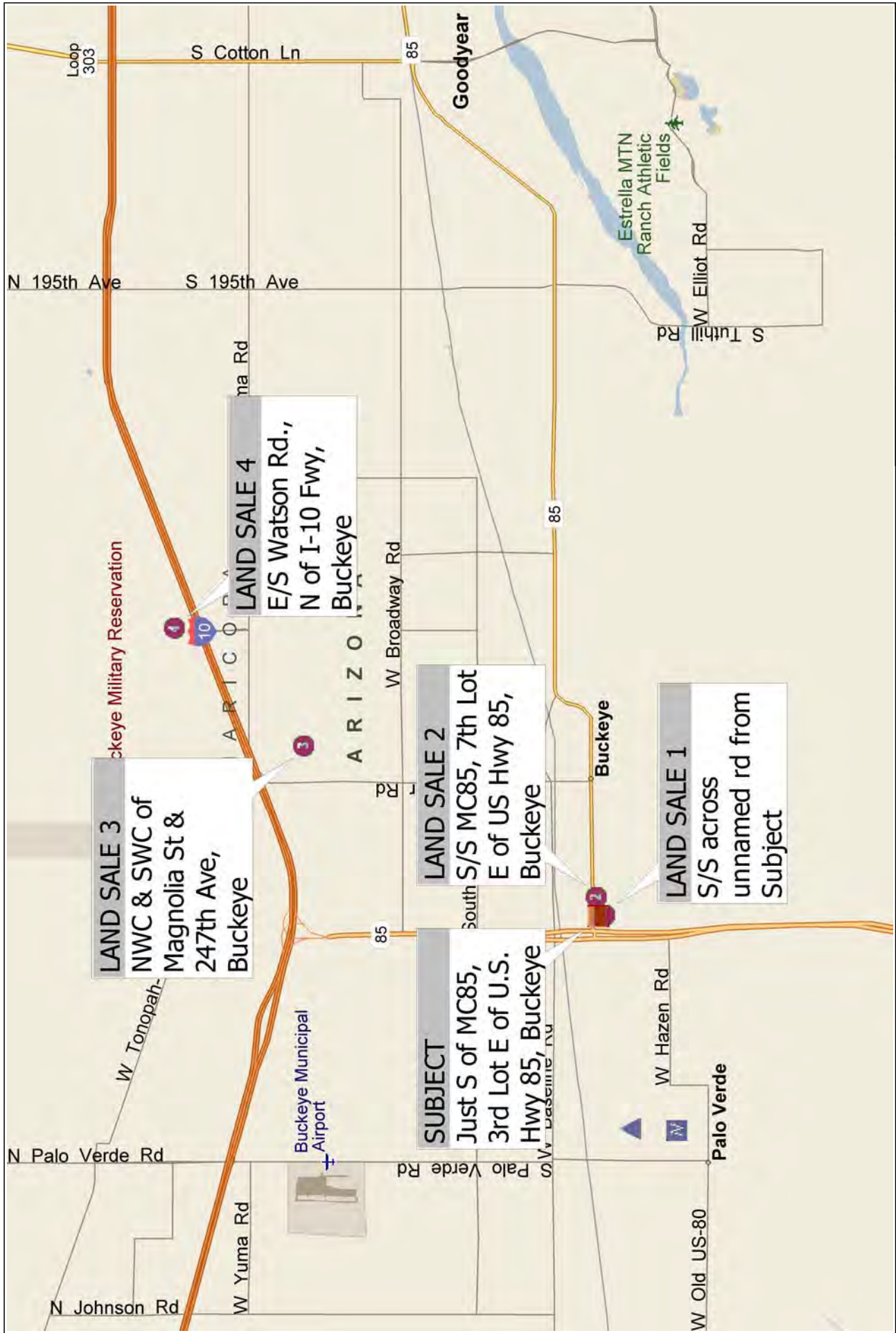
Intended Use:

Commercial

Note:

In speaking with the buyer, this property was purchased significantly below market since it already had its zoning and offsite improvements in place. The buyer is currently listing it for about \$11.50/SF, but it is soon to go back off the market for a year while a potential development gets approval north of this one that could increase its value even more. Also note that buyers are often very optimistic about the value and potential of their own properties.

LAND SALES MAP



COMPARABLE LAND SALES SUMMARY

SALE NO./	SALE DATE/ Cash Equiv.	LOCATION	SITE SIZE (ACRES)/ SHAPE	ZONING/ HIGHEST & BEST USE	UTILITIES/ ACCESS	TOPO- GRAPHY/ FLOOD PLAIN	PRICE PER SF
1/	11-4-14/ Seller Fin.	S/S unnamed access rd, 2 nd lot E of State Route 85, Buckeye	9.24/ Basically Rectangular	C-3, IND-2/ Lt. Ind.	All Avail but sewer/ Gravel Rd	Rel. Level Topo/ 0% FP	\$0.86/ SF
2/	01-26-16/ Cash to Seller	S/S MC85, 9 th lot E of AZ85, Buckeye	6.50/ Rectangular but Narrow & Elongated	I-1/ Lt. Ind.	All Avail/ Paved Rd	Rel. Level Topo/ 0% FP	\$1.15/ SF
3/	02-25-16/ Cash to Seller	NWC & SWC of Magnolia St & 247 th Ave., Buckeye	5.99/ Irregular	RM/ Off/Comm	All Avail/ Paved Rds	Rel. Level/ 0% FP	\$1.00/ SF
4/	06-02-16/ Cash to Seller	E/S Watson Rd., N of I-10 Fwy, Buckeye	5.00/ Rectangular	RR/Approv. Comm/ Comm	All Avail/ Paved Rd	Rel. Level Topo/ 0% FP	\$1.49/ SF
SUBJECT	03-09-17	N/S unnamed access rd, 3rd lot E of AZ85, Buckeye	5.00/ Basically Rectangular	C-3/ Lt. Ind.	All Avail. But sewer/ Gravel Rd	Rel. Level Topo/ 0% FP	N/Ap

Discussion of Adjustments

The adjustment considerations were for property rights conveyed, financing, conditions of sale, market conditions (time differences), differences in location, highest and best use, zoning, flood plain, available utilities, parcel shape, parcel size, topography and offsite improvements in place. When a sale's characteristic is considered to be inferior to the subject by comparison, a positive adjustment is made to the comparable's sale price. Conversely, when a sale's characteristic is considered superior in comparison to the subject, a negative adjustment is made. An adjustment grid showing the adjustments to the comparables is located at the end of this discussion.

Property Rights Conveyed

The subject is being valued in the fee simple interest. This type of property interest contains all the rights of complete property ownership. All four sales were sold in the fee simple interest. Thus, an adjustment to the sales is not necessary for the conveyance of property rights in comparison to the subject.

Financing

The subject is being valued assuming a cash value. Sale 1 was seller financed at 17% cash paid down with the remainder carried for 12 months at a market rate. Based on the verification of this sale, it sold at market terms for a short term and the selling broker considered it to be cash equivalent and I concur with this assessment. Thus, it does not warrant an adjustment for financing. The remaining three were sold on a basis of all cash to the seller. Thus, no adjustment is required to the sales for financing.

Conditions of Sale

The subject value assumes that market conditions are arms-length, with both knowledgeable buyers and sellers acting in their own best interests in an open market. Sales 1, 2, 3 and 4 were all sold as an arms-length transaction, not requiring an adjustment for this criterion. However, also based on verifications of the sale, Sale 4 sold significantly below market. Thus, an adjustment was applied for this factor, based on discussion with the buyer and the appraiser's knowledge of this market.

Market Conditions

Based on my market analysis of the subject's area, land values of this type have shown appreciation in the past few years, average about 5%. Based on this trend, this appreciation amount has been applied to the land sales allocated on a monthly basis in relation to the date of valuation of the subject property as compared to the sales' sales recording dates, as shown on the Adjustment Grid on a following page.

Location

The locational adjustment refers to the subject's physical location, access to freeways and surrounding property uses in comparison to the sales. The subject is located just east of a highway but is located in an area of sparse development, much of which is dated. It is primarily surrounded by industrial users. Sale 1 is located on the same street, just across the gravel access road from the subject property and is considered similar in its location. Similarly, Sale 2 is located less than a block northeast of the subject property although on a better street, which supports a negative 5% adjustment to its unit sale price for location.

Sale 3 is found at the end of a road improved by single family residences although it is along a secondary corridor with vacant commercial land and a church on it. It is adequately close to a freeway interchange as well. Its location is considered similar to the subject which does not warrant an adjustment. Sale 4 is located just north of an I-10 interchange and is across the street from a relatively new residential subdivision. There is also much speculation about large commercial properties being located in the proximate area in the near future. Its location is very superior to the subject and it receives a negative 25% adjustment.

Highest and Best Use (as vacant)

The highest and best use adjustment refers to the subject's highest and best use in comparison to each comparable sale's most probable highest and best use. The subject's highest and best use was concluded to be for a light industrial development, similar to its general plan and surrounding users. Sale 1 has a similar highest and best use and is considered similar to the subject. Sale 2 also has a light industrial highest and best with commercial potential due to its frontage and thus, warrants a negative 5% adjustment. Sale 3 has a limited light commercial highest and best use and therefore, it warrants a positive 10% adjustment by comparison. Sale 4 has a retail highest and best use and is superior to the subject, receiving a negative 10% adjustment.

Zoning

The subject's zoning district is C-3, Regional Commercial, by City of Buckeye. This allows for the largest variety of commercial uses as well as light industrial uses. Sales 1 and 2 have similar zoning districts which allow for similar uses. Thus, they do not require a zoning adjustment. However, Sale 3 has a more limited zoning district which is inferior to the subject and warrants a positive 10% adjustment as compared to the subject property. Although Sale 4 is still zoned RR, Rural Residential, it has been approved for a commercial use as part of a community plan. Therefore, an adjustment for zoning is not considered necessary.

Flood Plain

The subject property is not covered with any cautionary flood plain. The four sales are similar void of any cautionary flood plains. Thus, no adjustments are necessary for this criterion.

Available Utilities

The subject has direct availability to electricity, water and phone. Sale 1 has access to the same utilities and does not need an adjustment for utilities. Sales 2, 3 and 4 have direct access to these same utilities plus sewer. Thus, a negative 5% adjustment is warranted to these three sales for this criterion.

Shape

The shape of the subject is considered to be only slightly irregular, yet primarily rectangular (rectangular on three sides). Parcels which are irregularly-shaped and/or triangularly shaped are typically more difficult to fully utilize upon development. Sales 1, 3 and 4 all have rectangular or basically rectangular shapes and thus, do not require an adjustment for parcel shape. Conversely, Sale 2, although it has a rectangular shape, is very narrow and elongated, which will likely limit its development potential in the future. Consequently, this irregular shape is positively adjusted 25% for its shape.

Size

The subject has a land size of 5.00 acres. The market typically reflects higher sale prices per square foot for smaller parcels and lower sale prices per square foot for subjects due to economies of scale. Sales 1, 2, 3 and 4 have parcel sizes of ±9.24 acres, ±6.50 acres, ±5.99 acres and ±5.00 acres, respectively. Sale 1 is significantly larger (almost double) than the subject and thus, receives a positive adjustment. However, Sales 2, 3 and 4 are similar in size to the subject and do not require a size adjustment.

Topography

The subject basically has a level topography. A level topography is typically desirable for most types of development. All four sales also have level topographies and are considered similar to the subject.

Offsite Improvements In Place

This element of comparison refers to the existence of offsite improvements such as paved streets, curbs, etc. which typically add cost to the development of a vacant site. The subject has only a gravel frontage road as its only access street and lacks other offsite improvements such as curbs, gutters, sidewalks, etc.. Sale 1, which is located on the same street as the subject, does not warrant an adjustment since it has the same offsite improvements. Sales 2 and 3 are both located on asphalt paved streets, but lacked other offsite improvements at their times of sale. Consequently, these two sales each receive a negative 5% adjustment for this difference. Sale 4 had all of its offsites in place at the time of sale, per the buyer. Thus, a negative 10% adjustment is applied to this unit sale price.

Land Listings and Broker Opinions

I spoke with several brokers and did extensive research in the subject's area. However, I found few listings in the subject's area or that had a set asking price (other than wanting open bids from buyers only) or were so grossly over-priced as to not be taken seriously, many having on-going marketing periods of over 3-7 years with no end in sight. The most reasonable listings I found in the subject's market are shown in the table on the following page.

NO.	LOCATION	SIZE (ACRES)	ZONING/ HBU	LISTED PRICE PER SF	TIME ON MARKET
1	Lower Buckeye Rd at approx 300 Ave., Buckeye	9.50	R-43, Rural Residential/ Comm	\$1.26	42 Months
2	SEC of Baseline Rd & Turner Rd., Buckeye	10.74	C-G, General Comm/ Comm	\$1.82	107 Months
3	NWC Citrus Rd. & Broadway Rd., Buckeye	8.78	AU, Agric./ Comm	\$1.96	42 Months

Still, even these listings are clearly overpriced based on their extended months on the market. However, I was able to secure two broker opinions from brokers who know the market well and who work in the subject's area. The first broker I spoke to works in the subject's immediate area and is familiar with the subject property. He stated that in his opinion, the subject would have a value of \$1.00 to \$1.25 per square foot. A second opinion of value was obtained from a broker/buyer of similar properties in the Buckeye area, who stated that he thought the subject could get a price of \$1.00 to \$1.50 per square foot. My concluded unit value for the subject property falls within this range which is further support of my conclusion of value for the subject property.

COMPARABLE LAND SALES ADJUSTMENT GRID - SUBJECT

	SUBJECT	L-1	L-2	L-3	L-4
PRICE/ SF		\$0.86	\$1.15	\$1.00	\$1.49
PROPERTY RIGHTS CONVEYED	Fee Simple	Fee Simple 0%	Fee Simple 0%	Fee Simple 0%	Fee Simple 0%
FINANCING	Cash/CE	Cash Equiv. 0%	Cash 0%	Cash 0%	Cash 0%
CONDITIONS OF SALE	Arms-length	Arms-length 0%	Arms-length/ 0%	Arms-length/ 0%	Arms-length/Sold Below Market +50%
ADJUSTED PRICE/SF		\$0.86	\$1.15	\$1.00	\$2.24
SALE DATE (MARKET CONDITIONS) 5%/Yr	03-09-17 (DOV)	11-04-14 +12%	01-26-16 +6%	02-25-16 +5%	06-02-16 +4%
ADJUSTED PRICE/SF		\$0.96	\$1.22	\$1.05	\$2.33
LOCATION	Fair to Average	Fair to Average 0%	Average -5%	Fair to Average 0%	Very Good -25%
HIGHEST & BEST USE	Lt. Ind.	Lt. Ind. 0%	Lt. Ind./Comm -5%	Office +10%	Comm -10%
ZONING	C-3	C-3/IND-2 0%	I-1 0%	RM +10%	RR/Approv. Comm 0%
AVAILABLE UTILITIES	All Available but Sewer	All Available but sewer 0%	All Available -5%	All Available -5%	All Available -5%
SHAPE	Basically Rectangular	Basically Rectangular 0%	Rectangular but Narrow & Elongated +25%	Irregular 0%	Rectangular 0%
FLOOD PLAIN	0% FP	0% FP 0%	No FP 0%	No FP 0%	No FP 0%
SIZE	5.00 Acres	9.24 Acres +25%	6.50 Acres 0%	5.99 Acres 0%	5.00 Acres 0%
TOPOGRAPHY	Rel. Level	Rel. Level 0%	Rel. Level 0%	Rel. Level 0%	Rel. Level 0%
OFFSITES IN PLACE AT SALE	None (Gravel Rd)	None (Gravel Rd) 0%	Paved Rd -5%	Paved Rd -5%	All offsites in Place -10%
CUMULATIVE ADJUSTMENT		+25%	+5%	+10%	-50%
ADJUSTED PRICE/SF		\$1.20	\$1.28	\$1.16	\$1.17

Final Subject Market Value Conclusion

The sales before adjustments had a range of \$0.86/SF to \$1.49/SF. After adjustments, the range shows \$1.16/SF to \$1.28/SF. Due to the significant adjustments applied to Sale 4, this sale was given less weight in the final analysis. The best comparable is undoubtedly Sale 1, although it is just over two years old in its closing date, since it is located across the gravel access road from the subject and shares similar physical characteristics including most importantly, location, with the subject property. In addition, it only received one adjustment in the analysis for physical attributes. Therefore, greatest emphasis was placed on this sale for the final valuation conclusion. These were the best comparable sales found in the subject's market. In reference to the previously discussed land valuation, the broker conversations and broker opinions, the listings, market trends, and after considering the merits of each sale, I estimate a land value of \$1.20 per square foot for the subject, as vacant, as follows:

$$(5.00 \text{ Acres} \times 43,560 \text{ SF} \times \$1.20/\text{SF}) = \$261,360$$
$$\text{Rounded} = \$260,000$$

Thus, I conclude that the market value of the Subject (as vacant) in Fee Simple, via the Sales Comparison Approach, as of March 9, 2017, is:

\$260,000 (\$1.20/SF)
TWO HUNDRED SIXTY THOUSAND DOLLARS

EXPOSURE TIME AND MARKETING PERIOD

As previously defined in the first section of the report, Exposure Time equates to the amount of time a property is on the market before it sells. Marketing Period is an estimate of time it will take to sell the property based on the concluded value as stated in the appraisal. After researching the subject's market, I conclude that the estimated exposure time to be 3-6 months. I have also estimated the marketing period to be 3-6 months.

CERTIFICATION

RE: A VACANT PARCEL OF LAND LOCATED $\pm 150'$ SOUTH OF THE SOUTHERN SIDE OF MARICOPA COUNTY ROUTE 85, THE THIRD LOT EAST OF ARIZONA STATE ROUTE 85 (WITH FRONTAGE ON AN UNNAMED GRAVEL ACCESS ROAD) WITHIN THE CITY OF BUCKEYE, MARICOPA COUNTY, ARIZONA (WESTERN PORTION OF APN 401-87-001L) MCDOT PROJECT #TA-001, ITEM #D23408. PROPERTY OWNERS: MARICOPA COUNTY.

The undersigned does hereby certify that, except as otherwise noted in this appraisal report:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial and unbiased professional analyses, opinions and conclusions.
3. I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved.
4. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
5. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
6. My compensation for completing this assignment is not contingent upon the developing or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
7. I certify that, to the best of my knowledge and belief, the reported analyses, opinions and conclusions were developed and this report has been prepared in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute as well as the Uniform Standards of Professional Appraisal Practice.
8. I have made a personal inspection of the property that is the subject of this report. I have also viewed the comparable sales. In addition, I have worked full-time as a commercial and a right-of-way real estate appraiser for more than 30 years in Maricopa County and Arizona, and I have owned an appraisal firm (currently) for more than 18 years.
9. No one provided significant real property appraisal assistance to the person signing this certification.

CERTIFICATION (continued)

RE: A VACANT PARCEL OF LAND LOCATED ±150' SOUTH OF THE SOUTHERN SIDE OF MARICOPA COUNTY ROUTE 85, THE THIRD LOT EAST OF ARIZONA STATE ROUTE 85 (WITH FRONTAGE ON AN UNNAMED GRAVEL ACCESS ROAD) WITHIN THE CITY OF BUCKEYE, MARICOPA COUNTY, ARIZONA (WESTERN PORTION OF APN 401-87-001L) MCDOT PROJECT #TA-001, ITEM #D23408. PROPERTY OWNERS: MARICOPA COUNTY.

10. I certify that the use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
11. My review conclusions as well as other opinions, analysis and/or judgment expressed herein are not based on a requested minimum valuation, specific valuation or the approval of a loan.
12. The undersigned hereby acknowledges that he has the appropriate education and experience to complete the assignment in a competent manner. The reader is referred to the appraiser's Professional Qualifications located in the Addenda.
13. I have completed the requirements of the continuing education program of the State of Arizona, in which I am certified through 08/31/2018.
14. I have not performed any appraisal services, appraisal review, or service in any other capacity, regarding the property that is the Subject of this report, within the previous three years before receiving this assignment.

Market Valuation Conclusion

Based on the market data found in my research, appropriate analysis and professional judgment, it is my opinion that the indicated market value of the subject's 5.00-acre property, as of the effective date of this appraisal, March 9, 2017, is:

**\$260,000 (\$1.20/SF)
TWO HUNDRED SIXTY THOUSAND DOLLARS**

Jay G. Hulet, CCRA
President
Certified General Real Estate Appraiser
Arizona Certificate #30200

Date

ADDENDA

Appraiser's Qualifications
Subject Legal Description
Subject Title Report

QUALIFICATIONS OF JAY G. HULET

EXPERIENCE

May, 1999 to present - Owner/President of Hulet & Associates, Inc. - 1715 East Enrose Street, Suite B, Mesa, Arizona 85203. Providing appraising and consulting services of land, commercial, industrial, eminent domain and right-of-way properties throughout metro Phoenix and Arizona. Also provides appraisal review services for both residential and commercial properties throughout the United States of America.

June, 1992 to May, 1999 - Senior Commercial Appraiser for Philip M. Barlow and Associates - 4801 South Lakeshore Drive, Suite 104, Tempe, Arizona 85282.

January, 1989 to June, 1992 - Commercial Appraiser for Cushman and Wakefield of Arizona, Inc., Appraisal Division - 1850 North Central Avenue, Suite 300, Phoenix, Arizona 85004.

July, 1988 - January, 1989 - Subcontractor for commercial appraisal work for firms in Metropolitan Phoenix, Arizona.

August, 1987 - July, 1988 - Commercial Appraiser for DANA Property Analysis, 4710 East Falcon Drive, Mesa, Arizona 85215.

PROFESSIONAL ORGANIZATIONS

Certified General Real Estate Appraiser - Arizona Certificate #30200, 1991 to present
National Association of Real Estate Appraisers, CCRA designation (Certified Commercial Real Estate Appraiser, Certificate #79930), 2008 to present
International Right-of-Way Association, Current Member, 1999 to present
Appraisal Institute - Practicing Affiliate, 1988 to present
Arizona Association of Real Estate Appraisers, current member, 1/2015 to present
Licensed Real Estate Sales Agent, State of Utah, 1987 to 1999 (voluntarily resigned my license)

APPRAISALS COMPLETED IN THE FOLLOWING ARIZONA REGIONS

Apache County
Cochise County
Coconino County
Gila County
Graham County
Greenlee County
La Paz County
Maricopa County

Mohave County
Navajo County
Pima County
Pinal County
Yavapai County
Yuma County
Gila River Indian Community

Also completed appraisals in Salt Lake City, Utah; Boise, Idaho; Las Vegas, Nevada; San Francisco, California; and Santa Fe, New Mexico. Has also reviewed appraisal reports of properties located throughout Arizona, Colorado, California, Illinois, Nebraska and Wisconsin.

GENERAL APPRAISAL ASSIGNMENTS

Vacant Land	Apartments
Right-of-Way Acquisitions	Motels
Eminent Domain	Small Theme Parks
Office Buildings	Office & Industrial Condos
Industrial Buildings	Subdivision Properties
Retail Shopping Centers	Restaurants
Automobile Dealerships	Speculation Properties
Condominiums (Residential)	Movie Theaters
Mobile Home Parks	Regional Malls
RV Resorts & RV Parks	Medical Office Buildings
Service Stations	Nursing Homes
Convenience Stores	Mini-Storage Facilities
Mixed Use Properties	Plant Nurseries
Day Care Centers	Cold Storage Facilities
Preschools	Easements
Special Purpose Properties	Existing Roads and Roadways
Libraries	Water Channels & Canals
Colleges	Car Washes
Universities	Oil Lube Shops
Churches	Bank Branches
Religious Seminaries & Institutions	Auto Wrecking Yards
Condemnations-Complete & Partial	Charter Schools
Consultations and Real Estate Analyses	Land-Locked Properties
Testified in Court as an Expert Witness	Residential-SF & MF
Appraisal Reviews	Manufactured Homes
Ground Leases	Flood Plains & Floodway Parcels
Speciality Easements (Noise & Smell)	Heavy and Light Manufacturing
Right-Of-Way Abandonments	Sand and Gravel Pits
Agricultural/Orchards	Unmarketable Properties

EDUCATION

University of Utah, **Bachelor of Arts Degree in Finance, with emphases in Real Estate and Financial Analysis.** Foreign Language Emphasis for Bachelor of Arts Degree was Italian. Graduated June 1987.

Principles of Real Estate Appraisal - February 1988 (38.5 hours)

Basic Valuation Procedures - February 1989 (39.5 hours)

Standards of Professional Practice - March 1989 (24 hours)

EDUCATION (Cont.)

Capitalization Theory & Techniques, Part A - June 1990 (39 hours)
Capitalization Theory & Techniques, Part B - June 1990 (39 hours)
Arizona Appraisal Law -February 1991 (2 hours)
Report Writing and Valuation Analysis -June 1991 (36 hours)
Case Studies in Real Estate Valuation - February 1992 (39 hours)
Appraising Income Producing Properties - April 1993 (4 hours)
Appraising a Leasehold Interest - April 1993 (3 hours)
Foreclosure Procedures - April 1993 (4 hours)
Standards of Professional Practice, Part A - November 1994 (16 hours)
Standards of Professional Practice, Part B - November 1994 (11 hours)
Easement Valuation - September 1996 (16 hours)
Working with Blueprints - July 1997 (3 hours)
Small Hotel/Motel Valuation -December 1997 (7 hours)
Zoning Laws and Land Development - June 1998 (3 hours)
Arizona 1999 Forecast - November 1998 (4 hours)
Standards of Professional Practice, Part C - September 1999 (16 hours)
Arizona 2000 Forecast - November 1999 (4 hours)
Attacking & Defending an Appraisal in Litigation - January 2000 (7 hours)
Tax Liens as an Investment - January 2000 (4 hours)
Condemnation Appraising: Basic Principles and Applications - May 2000 (15 hours)
Condemnation Appraising: Advanced Topics and Applications -May 2000 (15 hours)
Comprehensive Appraisal Workshop - August 2001 (23 hours)
Arizona 2002 - Real Estate and Business Forecast - November 2001 (4 hours)
Highest and Best Use, and Market Analysis - February 2002 (40 hours)
Eminent Domain - March 2002 (13 hours)
The Technical Inspection of Real Estate (Building Codes, Building Site, Drainage, Destroying Organisms, Building Structure, Building Exterior, Building Interior, Earthquakes & Windstorms, Electrical Systems, Plumbing Systems & HVAC Systems) - October 2003 (20 hours)
Arizona 2004 - Real Estate and Business Forecast -November 2003 (4 hours)
National USPAP - May 2004 (15 hours)
The Skills of the Expert Witness - September 2004 (8 hours)
Legal Descriptions - May 2005 (4 hours)
National USPAP Update - August 2005 (7 hours)
Business Structures - February 2006 (3 hours)
Fundamentals of Real Estate Exchange - February 2006 (3 hours)
Arizona Land Market - February 2006 (3 hours)
Land Planning and Zoning - February 2006 (3 hours)
Survival Guide to Home Inspections - February 2006 (3 hours)

EDUCATION (Cont.)

Government Lands in Arizona - March 2006 (3 hours)
Easements, Profit (A Prendre) and Licenses in Land - February 2007 (7 hours)
Uniform Standards of Professional Appraisal Practice (Update) - October 2007 (7 hours)
Evaluating Commercial Construction - March 2008 (14 hours)
Business Practices and Ethics - May 2008 (8 hours)
How To Buy Distressed Properties - October 2008 (4 hours)
Arizona Forecast 2009 - November 2008 (4 hours)
2009 Spring Agricultural Forum - February 2009 (6 hours)
Commercial Appraisal Engagement and Review Seminar for Bankers and Appraisers - March 2009 (7 hours)
Uniform Standards of Professional Appraisal Practice (Update) - October 2009 (7 hours)
2010 Spring Agricultural Forum - February 2010 (7 hours)
Home Inspection and the Real Estate Industry - May 2010 (3 hours)
Appraisal Through The Eyes Of The Reviewer - February 2011 (7 hours)
Real Estate Market Update - June 2011 (3 hours)
Uniform Standards of Professional Appraisal Practice (Update) - December 2011 (7 hours)
2012 Spring Agricultural Forum - February 2012 (7 hours)
Appraising Manufactured Housing - March 2012 (4 hours)
Uniform Standards of Professional Appraisal Practice (Update) - February 2013 (7 hours)
2013 Spring Agricultural Forum - February 2013 (7 hours)
Condemnation Summit XIII - October 2013 (6 hours)
2014 Spring Agricultural Forum - February 2014 (7 hours)
Fissures and Other Geologic Hazards in Arizona - May 2014 (3 hours)
Part 1-2015 Arizona Appraisers State Conference - March 2015 (4 hours)
Part 3A-2015 Arizona Appraisers State Conference - March 2015 (3 hours)
Liability Issues for Appraisers Performing Litigation and Other Non-Lending Work - March 2015 (3 hours)
Appraisers'® Code of Ethics and Professional Conduct - March 2015 (4 hours)
Uniform Standards of Professional Appraisal Practice Update - December 2015 (7 hours)
Residential Appraisal Review and USPAP Compliance - June 2016 (7 hours)

STATE OF ARIZONA

Department of Financial Institutions

Real Estate Appraisal Division

BE IT KNOWN THAT

JAY G. HULET

HAS MET ALL THE REQUIREMENTS AS A

Certified General Real Estate Appraiser

This certificate shall remain evidence thereof unless or until the same is suspended, revoked or expires in accordance with provisions of law.

CERTIFICATE NUMBER

30200

EXPIRATION DATE

August 31, 2018

In witness whereof the Real Estate Appraisal Division of the Department of Financial Institutions caused to be signed by the Division Manager on behalf of the Superintendent on the 5th day of August, 2016.



Debra Rudd

Parcel No. 401-87-001L
Project No. TA-001
Maricopa County Highway Department
Southwest Maintenance Yard
Item No. D23408

EXHIBIT "A"

LEGAL DESCRIPTION FOR PARCEL SALE

A Portion of that certain parcel of land as described in Record No. 1991-0475531, Records of the Recorder, Maricopa County, lying within the North one-half of the Southwest one quarter (N2SW4) of Section One (1), Township One (1) South, Range Four (4) West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona; Said portion is more particularly described as follows:

The West 5.00 Acres of following tract of land:

The West 1740 feet of the North half of the Southwest quarter, lying Southeasterly of the Southeasterly right-of-way of U.S. Highway 80;

EXCEPT the South 565.46 feet of said West 1740.00 feet, and;

EXCEPT that portion lying West of the East 1018.35 feet of said West 1740.00 feet.

The above described parcel contains 217,800 square feet or 5.00 acres, more or less.

MARICOPA COUNTY DEPARTMENT OF TRANSPORTATION		
Prelim: 12-00-2016	Chk: 1-26-2017 JLS	Appr:
Rev: 1-25-2017; 4-03-2017		
Maricopa County Public Works - Real Estate Division		



GRANTOR _____ DATE _____

EXHIBIT "A"



ALTA Commitment Form (6-17-06)
COMMITMENT FOR TITLE
INSURANCE

ISSUED BY
**WESTCOR LAND
TITLE INSURANCE COMPANY**

Westcor Land Title Insurance Company, a California corporation ("Company"), for a valuable consideration, commits to issue its policy or policies of title insurance, as identified in Schedule A, in favor of the Proposed Insured named in Schedule A, as owner or mortgagee of the estate or interest in the land described or referred to in Schedule A, upon payment of the premiums and charges and compliance with the Requirements; all subject to the provisions of Schedules A and B and to the Conditions of this Commitment.

This Commitment shall be effective only when the identity of the Proposed Insured and the amount of the policy or policies committed for have been inserted in Schedule A by the Company.

All liability and obligation under this Commitment shall cease and terminate six (6) months after the Effective Date or when the policy or policies committed for shall issue, whichever first occurs, provided that the failure to issue the policy or policies is not the fault of the Company.

The Company will provide a sample of the policy form upon request.

IN WITNESS WHEREOF, WESTCOR LAND TITLE INSURANCE COMPANY has caused its corporate name and seal to be hereunto affixed and by these presents to be signed in facsimile under authority of its by-laws, effective as of the date of Commitment shown in Schedule A.

Issued By:

Empire West Title Agency
4808 North 22nd Street, Ste #
100
Phoenix, AZ 85016
Phone: 602-749-7000

**WESTCOR LAND TITLE INSURANCE
COMPANY**

HOME OFFICE
201 N. New York Avenue, Suite 200
Winter Park, Florida 32789
Telephone: (407) 629-5842



By: *Mary O'Connell*
President
and: *Patricia J. Brown*
Secretary

CM-2 (ALTA Commitment for Title Insurance (6-17-06)
(WLTIC Edition (9/26/07))

File No: 69397EW

SCHEDULE A

Address Reference: , , **AZ**

Project: Maricopa County Highway Department Southwest Maintenance Yard, Project #TA001, Item D23408, McDot Order TR219

1. Effective Date: **February 23, 2017 at 7:30 am**
2. Policy or Policies to be issued:
 - A. ALTA Owners 2006 Standard Coverage

Proposed Insured: **TBD**
- 3A. The estate or interest in the land described in this Commitment and covered herein is **Fee** and title thereto is at the effective date hereof vested in:
Maricopa County, a political subdivision of the State of Arizona
- 3B. Title to the estate herein described upon issuance of the Policy shall be vested in:
TBD
4. The land referred to in the Commitment is situate in the county of **Maricopa**, State of **Arizona** and is described in the attached Exhibit "A".

Please direct all inquiries and correspondence to:
Empire West Title Agency
Escrow Officer: Sharon Dyke
Phone: 602-749-7000
Commitment

Empire West Title Agency, issuing agent for
Westcor Land Title Insurance Company
By: Philip D. Siepel
Title Department

Page 2

**SCHEDULE B
SECTION ONE - REQUIREMENTS**

Conditions to be met and instruments in insurable form which must be executed, delivered, and duly filed for record:

1. Furnish proper legal description to be insured herein.
2. Furnish Resolution of Maricopa County authorizing the sale to be insured herein.
3. Furnish the names of parties to be insured herein and disposition of any matters disclosed thereby.
4. Record Deed from Maricopa County, a political subdivision of the State of Arizona to TBD.

NOTE: See attached tax sheets for the following Parcel Numbers: 401-87-001L.

Chain of title is as follows:

Quit Claim Deed from L.D. Hardesty, individually, and in his capacity as Personal Representative of the Estate of Beverly B. Hardesty, deceased, Grantor to Hardesty Enterprises, an Arizona Partnership, Grantee, recorded August 31, 1979 as Docket 13871, Page 606 and re-recorded November 1, 1979 as Docket 14003, Page 522, both of Official Records.

Warranty Deed from Hardesty Enterprises, an Arizona general partnership, Grantor to Maricopa County, a political subdivision of the State of Arizona, Grantee, dated October 9, 1991, recorded October 10, 1991 as Document No. 1991-475531 of Official Records.

End of Schedule B Section I

EXHIBIT "A"

A portion of a portion of land lying within the North one-half of the Southwest one-quarter of Section One (1), Township One (1) South, Range Four (4) West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona; said portion is more particularly described as follows:

The West 1740.00 feet of said North one-half of the Southwest one-quarter lying Southeasterly of the Southeasterly right-of-way of U.S. Highway 80;

EXCEPT the South 565.46 feet of said West 1740.00 feet; and

EXCEPT a tract of land lying West of the East 1018.35 feet of said 1740.00 feet.

SCHEDULE B
SECTION TWO - EXCEPTIONS

Schedule B of the policy or policies to be issued will contain exceptions to the following matters unless the same are disposed of to the satisfaction of the Company:

A. Defects, liens, encumbrances, adverse claims or other matters, if any, created, first appearing in the public records or attaching subsequent to the Effective Date but prior to the date the proposed Insured acquires for value of record the estate or interest or mortgage thereon covered by this Commitment.

1. (a) Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records; (b) Proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the public records.
2. Any facts, rights, interests or claims which are not shown by the public records but which could be ascertained by an inspection of the land or which may be asserted by persons in possession of the land.
3. Easements, liens or encumbrances or claims thereof, which are not shown by the public records.
4. Any encroachments, encumbrance, violation, variation, or adverse circumstances affecting the Title that would be disclosed by an accurate and complete land survey of the Land and not shown by the public records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b) or (c) are shown by the public records.
6. Any lien, or right to a lien, for services, labor or material heretofore or hereafter furnished, imposed by law and not shown by the public records.
7. Taxes for the full year of 2017. (The first half is due October 1, 2017 and is delinquent November 1, 2017. The second half is due March 1, 2018 and is delinquent May 1, 2018).
8. ANY ACTION by the County Assessor and/or Treasurer, altering the current or prior tax assessment, subsequent to the date of the Policy of Title Insurance.
9. Easement(s) for electric line and incidental purposes, recorded in Book 36 of Miscellaneous Records, Page 522 of Official Records.
10. Easement(s) for electric lines and incidental purposes, recorded in Docket 7053, Page 734 of Official Records.
11. Easement(s) for telephone and telegraph lines and incidental purposes, recorded in Docket 7539, Page 806 of Official Records.
12. Easement(s) for electric lines and incidental purposes, recorded in Docket 13382, Page 819 of Official Records.

File No: 69397EW

13. Easement(s) for highway purposes and incidental purposes, recorded in Document no. 1987-578337 of Official Records.
14. All matters set forth on Record of Survey recorded in Book 795 of Maps, Page 13 and Property Line Adjustment recorded in Book 929 of Maps, Page 21, both of Official Records.
15. The effect of inclusion within the flood control district of said county as disclosed by instrument recorded August 9, 2011 as Document No. 2011-661462 of Official Records.
16. Easement(s) for electric lines and incidental purposes, recorded in Document no. 2014-232769 of Official Records.

End of Schedule B Section II

Commitment

Page 6

Schedule B

13

WHEN RECORDED RETURN TO:
 Maricopa County Highway Dept.
 100 North 1st Avenue, Phoenix, Arizona 85004

I do hereby certify that the within named instrument was recorded at request of

Fee No.:

87 578337

_____, Records of Maricopa County, Arizona
 WITNESS my hand and official seal the day and year aforesaid.

Fee:

County Recorder By Deputy Recorder
 When recorded return to: MARICOPA COUNTY BOARD OF SUPERVISORS

Submitted at Request of
 Board of Supervisors.

EASEMENT AND AGREEMENT FOR HIGHWAY PURPOSES

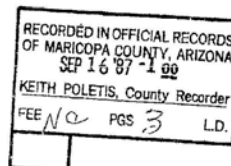
Project No. 401-87-1.3
 DD-7179
 Item No. O.R.

Hardesty Enterprises, an Arizona partnership

GRANTORS,

for and in consideration of the sum of One Dollar and other valuable consideration, receipt of which is hereby acknowledged, do hereby grant to MARICOPA COUNTY, a political subdivision of the State of Arizona, its successors, and assigns, a permanent easement and right-of-way, for the following purposes, namely: The right to enter upon the hereinafter described land and grade, level, fill, drain, pave, build, maintain, repair and rebuild a road or highway, including incidental purposes consistent therewith, together with such bridges, culverts, ramps and cuts as may be necessary, on, over, under, and across the ground embraced within the right-of-way situated in the County of Maricopa, State of Arizona, and described as follows:

SEE EXHIBIT "A"



To have and to hold the said easement and right-of-way unto Maricopa County, a political subdivision of the State of Arizona and unto its successors and assigns forever, together with the right of ingress and egress to permit the economical operation and maintenance of said public highway and all incidents thereto, and together with the right to authorize, permit, and license the use thereof for utilities or other public purposes not inconsistent with its primary use as a highway.

And the Grantors hereby covenant that they are lawfully seized and possessed of this aforementioned tract or parcel of land, that they have a good and lawful right to sell and convey it, and that they will warrant the title and quiet possession thereto against the lawful claim of all persons, subject to easements of record; that they accept the consideration paid hereunder as full payment for all damages to their property including any severance damages resulting from the grant of this easement and right-of-way.

The said easement to include the right to cut back and trim such portion of the branches and tops of the trees now growing or that may hereafter grow upon the above described premises, as may extend over said right-of-way, so as to prevent the same from interfering with the efficient maintenance and operation of said public highway.

In the event the right, privilege and easement herein granted shall be abandoned and permanently cease to be used for the purposes herein granted all rights herein granted shall cease and revert to the grantors, their heirs or assigns.

Wherever in the foregoing instrument the plural is used, it will be read as singular when necessary, and whenever words indicating gender and employed they will apply to either masculine, feminine or neuter as the context requires.

8405-023 R1-47

(See Reverse Side For Agreement and Signatures)

NOW THEREFORE, in consideration of the same and further consideration hereinafter set forth, it is agreed, that this instrument contains the entire agreement between the parties hereto there being no further consideration paid than herein specified.

THE COUNTY OF MARICOPA AGREES:

- A. To use the above described land for the general welfare and benefit of the public.

87 578337

THE GRANTOR AGREE —:

1. To grant an easement for the above described land to the County of Maricopa for the general welfare and benefit of the public.
2. That acceptance of this dedication in no way obligates Maricopa County to construct or maintain a roadway within the right-of-way granted by this document.
3. It is further agreed that any existing encroachments within the right-of-way granted by this easement will be removed or relocated to Grantor's remaining property at no expense to County.

Dated this 17th day of July, 19 87.

BY: George W. Hardesty, Partner HARDESTY ENTERPRISES, an Arizona Partnership
Grantor
BY: L. D. Hardesty, Partner Grantor
BY: Bruce Hardesty, Partner Grantor

STATE OF ARIZONA
COUNTY OF MARICOPA ss.

The foregoing instrument was acknowledged before me this 16th day of August, 19 87.

By: GEORGE W. HARDESTY, L. D. HARDESTY, and BRUCE HARDESTY as Partners of HARDESTY ENTERPRISES, an Arizona Partnership
My commission expires My Commission Expires May 31, 1991. Notary Public

Recommended for approval: Paul H. Hinton
Right of Way Agent

RECEIVED

AUG 05 AM.

ACCEPTED:
MARICOPA COUNTY BOARD OF SUPERVISORS

by: Paul H. Hinton
Chairman of the Board

ATTEST:

MCHD

Deputy County Engineer

Clerk of Board of Supervisors

Date: SEP 08 1987

401-87-LJ
DB-7179
O.R.

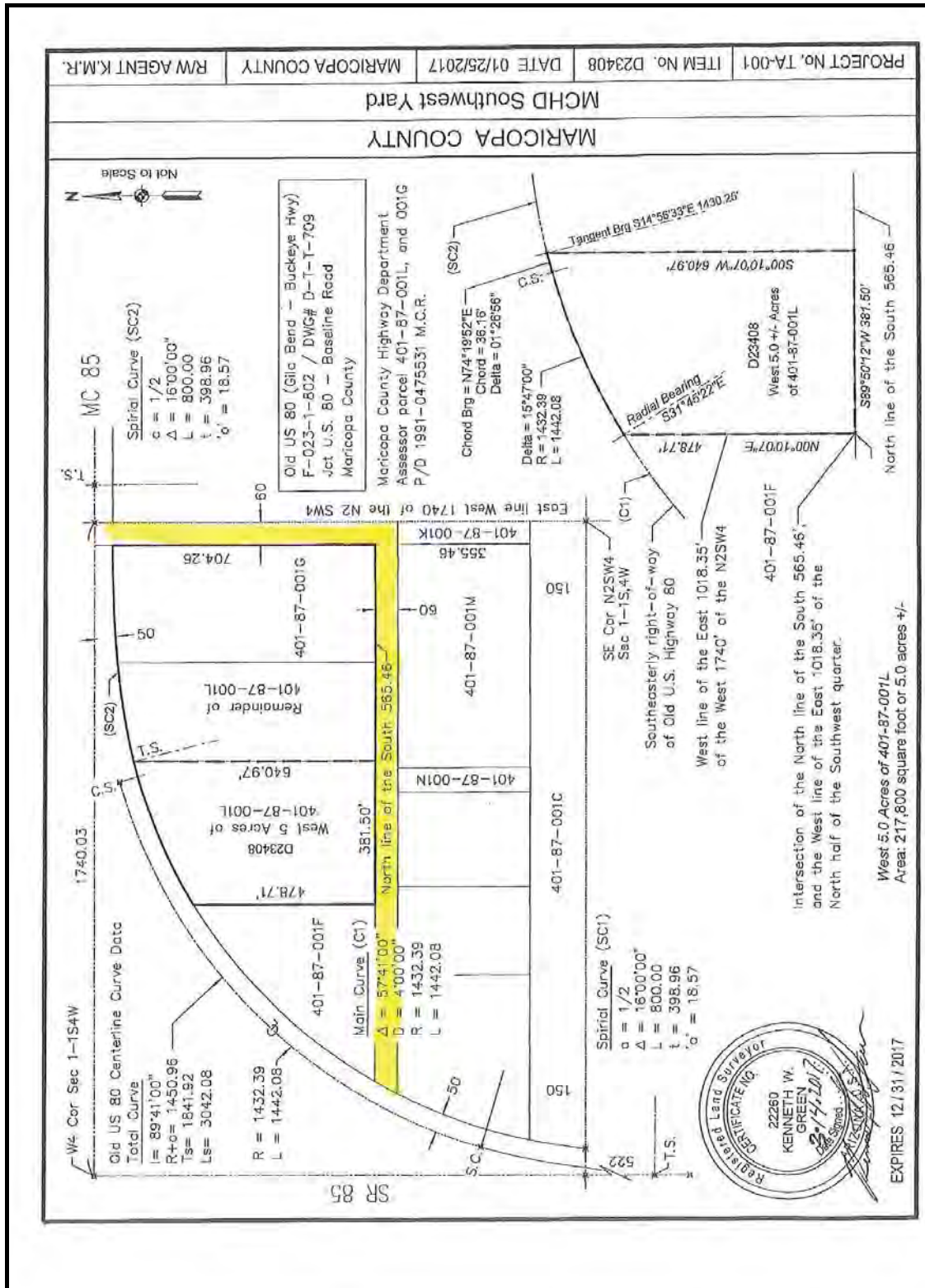
87 578337

EXHIBIT "A"

A 60.00 foot wide strip of land in Section One (1), Township One (1) South, Range Four (4) West, of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, and more particularly described as follows:



BEGINNING for reference at the West one-quarter ($\frac{1}{4}$) corner of said Section 1; THENCE North $89^{\circ}29'08''$ East along the midsection line a distance of 1740.03 feet; THENCE South $00^{\circ}11'00''$ East a distance of 50.20 feet to a point on the South right-of-way line of US Highway 80 and the TRUE POINT OF BEGINNING from which the P.C. of a highway curve bears North $89^{\circ}22'39''$ East a chord distance of 105.22 feet; THENCE South $00^{\circ}11'00''$ East a distance of 759.58 feet; THENCE South $89^{\circ}19'12''$ West a distance of 1519.29 feet to a point on the East right-of-way line of US Highway 80; THENCE along a curve to the right having a central angle of $02^{\circ}50'44''$, a radius of 1382.39 feet, a curve distance of 68.65 feet, a chord bearing of North $28^{\circ}22'43''$ East, a chord distance of 68.64 feet; THENCE North $89^{\circ}19'12''$ East a distance of 1426.45 feet; THENCE North $00^{\circ}11'00''$ West a distance of 699.27 feet to a point on the South right of way line of said US Highway 80; THENCE along a spiral curve to the right having a chord distance of 60.01 feet, a chord bearing of North $89^{\circ}02'49''$ East, to the TRUE POINT OF BEGINNING.



**SITE PLAN FOR PREVIOUS LEGAL DESCRIPTION
 WITH EASEMENT HIGHLIGHTED IN YELLOW.**

EXHIBIT "A"

A portion of a portion of land lying within the North one-half of the Southwest one-quarter of Section One (1), Township One (1) South, Range Four (4) West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona; said portion is more particularly described as follows:

The West 1740.00 feet of said North one-half of the Southwest one-quarter lying Southeasterly of the Southeasterly right-of-way of U.S. Highway 80;

EXCEPT the South 565.46 feet of said West 1740.00 feet; and

EXCEPT a tract of land lying West of the East 1018.35 feet of said 1740.00 feet.

versions thereof. However, the same or similar exceptions may be made in Schedule B of those policies in conformity with Schedule B, Section Two, of this Commitment.

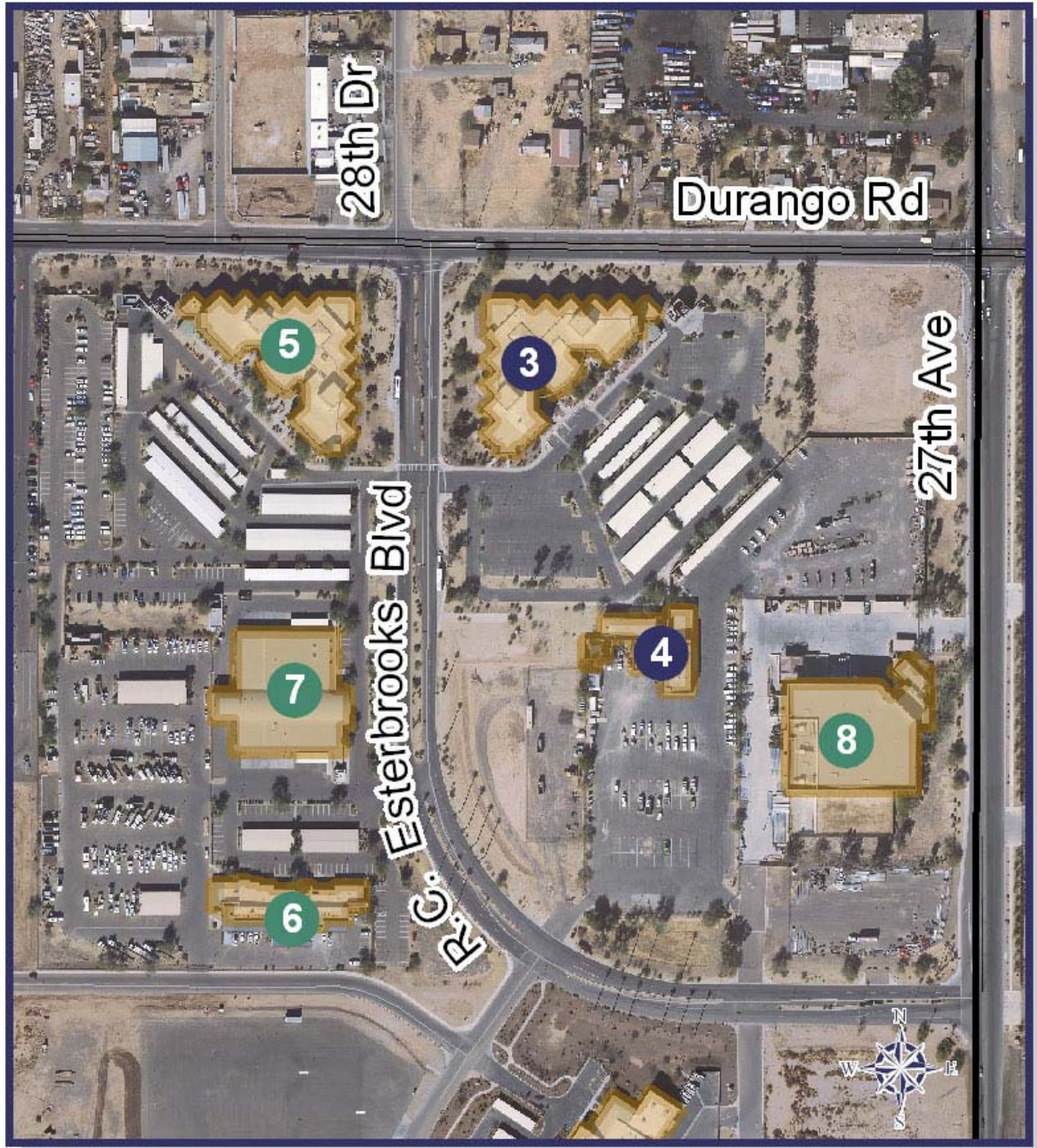
APPROVED AS TO FORM

CL (1/4/2017) 5/25/17
Deputy Maricopa County Attorney Date



Flood Control District Location and Surrounding County Facilities

- | | |
|--|--|
| 3 Flood Control Administration | 6 Transportation Operations |
| 4 Flood Control Operations | 7 Transportation Traffic Operations |
| 5 Transportation Administration | 8 Distribution Center |



Flood Control District of Maricopa County 2801 West Durango Street Phoenix, Arizona 85009 (602) 506-1501